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THE LEAGUE'S BUSINESS

Baldwin Prize Award.—The Committee on Award has just announced that the first prize of one hundred dollars has been won by Miss Mary Cooper of Vassar College. This award is made each year at this time for the best essay on municipal government submitted by a college student. Miss Cooper's paper was entitled "The Progress of the County Executive Plan."

Second and third places, respectively, were awarded to Cedric A. Larson, Stanford University, for his essay, also on "Progress of the County Executive Plan," and by Frank M. Landers, University of Michigan, who wrote on "Metropolitan Area Simplification."

The Committee on Award for this year was composed of Professors William Y. Elliott of Harvard University, Everett Kimball of Smith College, and Arthur W. Bromage of the University of Michigan.

* * *

New Radio Programs.—Series VIII of "You and Your Government" broadcasts, entitled "A New Deal in Local Government," is now on the air every Tuesday evening from 7:30 to 7:45 eastern daylight saving time. The League will continue to publish these programs as they are given each week. Individual broadcasts may be secured at ten cents each, the entire series of fourteen broadcasts at $1.00. We list below the programs for coming weeks:

July 3—"The Sumners-Wilcox Municipal Bankruptcy Act." Representative James M. Wilcox, 4th Florida District; William Hard, Publicist.

July 10—"Saving the Cities." L. P. Mansfield, Supervisor Bond Department, Prudential Insurance Company of America.

July 17—"English Local Government." Professor D. W. Brogan, London School of Economics.

July 24—"New Fields for New Planning." Flavel Shurtleff, Secretary, National Conference on City Planning.

July 31—"The Tennessee Valley Experiment." John B. Blandford, Jr., Coördinator, Tennessee Valley Authority.

August 7—"New Aspects of the Public Service." Professor Leonard D. White, United States Civil Service Commissioner.

August 14—"A New Charter for New York City." Professor Roy V. Peel and Professor Paul Studenski, New York University.

* * *

Lyons Conference.—Your secretary will be one of the delegates from the United States to the National Conference of Cities meeting at Lyons, July 19-22. The conference is being held under the direction of the French Union of Cities.

HOWARD P. JONES, *Secretary*

Editorial Comment
July

NATIONAL MUNICIPAL REVIEW

Vol. XXIII, No. 7 Total No. 217

New York Has Its Chance!

THE charter commission for New York City, recently created by an act of the legislature, is now struggling with the tremendously difficult but exceedingly important job of working out the principles of a new charter which will make the government of our largest city more democratic and more efficient. At the same time, the commission must needs consider seriously the question of what citizens of New York will accept. What may be ideally most desirable becomes least desirable if for reasons of tradition, sectionalism, or insufficient understanding, the citizens simply won't have it!

For the first time in a generation, however, New York has an opportunity for fundamental reorganization of its administrative machine. New Yorkers will be looking to the charter commission for leadership. A progressive step which today they might not accept for lack of understanding, they might welcome tomorrow if it were presented as the recommendation of the charter commission, and clearly and adequately explained.

The ideal solution, in the opinion of the NATIONAL MUNICIPAL REVIEW, would be the city manager plan with proportional representation along the lines of the fundamental principles laid down in the Model City Charter. These principles should not be lightly cast aside. Formulated by a committee including practically all the outstanding authorities on the subject of municipal government and administration in the country, the Model Charter sets a course in the direction of principle rather than expediency. The REVIEW editors would be the last to suggest that the Model Charter could be adopted by our largest city without important adjustments. We do submit, however, that the form of the garment is there—what is needed is the lengthening of the sleeves and a little taking in around the collar.

Some previous efforts at thorough reorganization of New York City's government, for example, have been wrecked upon the shoal of borough autonomy. It must be recognized that citizens of the various boroughs have strong local prides and prejudices which must be taken into consideration. Such recognition is possible without violation of fundamental principles of sound public administration, both in the election of representatives and in the administrative phase of the government.

All these details are subject to variation, adjustment and composition within the framework of the Model Charter. Were the Model Charter theory only,

regardless of the authority behind it, much might be said in favor of passing it by. It has, however, served as the foundation for the charters of more than 450 cities which are, by and large, the most efficiently administered municipal governments we have. This being true, it is only the part of common sense for the New York charter commission to adapt as much as possible from successful experience.

NOTE:—Just as this issue of the REVIEW is going to press word comes that the charter commission has voted hastily, without discussion, to have an elected chief executive instead of a city manager. See page 389 for note on latest developments.—Editor.

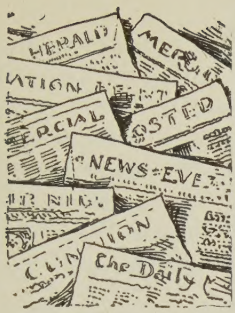
The Parade of the Jobholders

APPROXIMATELY 4,700,000 families are on unemployment relief rolls at the present time. This represents a substantial increase over a year ago. The immediate query presents itself—how can this figure be reconciled with the re-employment statistics issued by the U. S. Department of Labor which are very encouraging?

There are a number of factors in the situation today which should not be overlooked. First and foremost, it must be appreciated that while there is a continual flow from the ranks of unemployed into employment, there is likewise a continual flow of men from jobs into the vast empty world of the jobless. Technological unemployment is one reason. Varying activity in the different industries is another. Second, it must be recognized that there are large numbers of men and women whose reserves have given out during the past year, people who were able to take care of themselves during the first years of the depression but who finally used up their savings. Third, the relief program, organized on a national scale, is more effective in reaching the needy today than it was a year ago.

The seriousness of the relief situation should not be minimized. Business conditions are better yet unemployment is worse. That apparent contradiction has in it a real challenge to public administrators on all levels of government. The first battle with depression has been won; but the war is not yet over. Government for some time to come must find a way of taking care of a substantial slice of our population. With a wry smile may we look upon the title of the New York welfare unit—"The *Temporary Emergency* Relief Administration"! Unemployment relief, that is, has become a permanent problem.

H. P. J.



HEADLINES

After an extended survey under the direction of George D. Strayer of Teachers College, Columbia University, the Yonkers, N. Y., board of education is advised to close two elementary schools and partly close another, and gradually to reduce by seventy-seven its present force of nine hundred and twenty-five teachers. Dr. Strayer's report also recommends greater autonomy of the board of education from the city's board of estimate, abolition of the board's standing committees, and concentration of responsibility on the superintendent of schools. All this in the name of those well known civic twins, Efficiency and Economy.

* * *

American students of government migrate to France this month to attend the International Conference of Cities at Lyons, July 19-22, under the leadership of the French Union of Cities, of which Edouard Herriot, Ex-Premier of France and for thirty years Mayor of Lyons, is President. A tour of twenty French cities has been arranged—on radically different lines, however, than the famous Mayors' Expeditionary Force of the unhallowed '20s.

* * *

Under a new law, municipal or school corporations in the Province of Quebec, Canada, may make financial compromises with their creditors, provided such agreements are ratified by two-thirds in value of the creditors and approved by the Quebec municipal commission. This arrangement parallels the American move toward municipal relief under the terms of the Sumner Act.

* * *

Baltimore pays its respects to the Upward Swing by a systematic restoration of salary cuts on certain positions and by reducing the percentage of cuts on others. This will interest the other forty-nine cities of over 100,000 population, of which only two, according to the International City Managers' Association, have made no salary cuts in recent years.

* * *

According to statistics quoted in *Better Roads*, an automobile has killed an American citizen on an average of every seventeen minutes throughout 1933. Automobile manufacturers announce that many 1935 cars for general use will have a speed of 120 miles per hour. Separately these two facts are startling, but not very relevant. Laid end to end they give rise to many thoughts. *Better Roads* suggests wider rights of way as an inevitable future need.

* * *

In a desperate attempt to maintain safety-first work in face of a budget reduced to irreducible minimum, Detroit drafts its school boys for street patrol duty, with encouraging success. Fifteen hundred school crossings recently were patrolled by the schoolboys after some preliminary training by the police department, leaving only ninety-two heavy traffic crossings for the orthodox traffic cops to look after.

E. M. B.

The States' Search For Money

Frantic legislators pass hundreds of financial laws during depression

MABEL L. WALKER *Executive Secretary, Tax Policy League*[1]

Much of the feverish financial legislation of the last few years reminds one of the old rhyme:

"The King of France with twenty thousand men
Went up the hill and then came down again.
The King of Spain with twenty thousand more
Climbed the same hill the French had climbed before."

Stringent tax collection laws are enacted, only to be followed later by wholesale remission of penalties. Rigid tax limits designed to relieve the poor taxpayer are forced through the state legislature and almost before the ink has had time to dry on the signature, the indigent taxpayer who was to be relieved finds himself shackled with a sales tax.

Twelve hundred new tax laws emerged from the legislative hopper in 1933—some of them forced through as initiative measures on the part of the people. A great deal of this legislation is ambiguous, much of it seems unwise, and some appears rather tragic.

State legislators would probably contend that they were confronted with a condition and not a theory. The striking changes that have been taking place in the state governments have been the results of a number of very powerful forces acting upon the legislatures. Such forces are the revolt of the taxpayers, particularly of real estate groups, the financial distress of municipalities, diminishing state revenues due to shrinking sources and widespread delinquency, pressure of the federal government for recognition by the states of their responsibility in relieving unemployment, and the pressure of public opinion to the same end. All of these are positive influences, inciting the legislatures to some kind of responsive action. Such response was conditioned, however, by the negative force of the state constitutions, with their rigid shackles upon legislative initiative. In many states the fundamental law proves to be a most effective barrier to good government.

Uniformity clauses have blocked the way to the adoption of income taxes and of classified property taxes in a number of states. The recently adopted constitutional tax limits further complicate the issue. Provisions for tax-exempt securities, tax-exempt property and tax-exempt groups cause loss of revenue and unfair discrimination. Mandatory provisions imposing unnecessary offices and burdens upon local governments make it constitutionally impossible to have efficient and economical local government in many areas.

Within the limits imposed by these various restrictions and subject to all of

[1]Formerly General Welfare Tax League.

the positive forces acting upon them the legislatures have been forced to act. Much of what they have done is admittedly emergency legislation. Some permanent changes have already been effected, however, and more will undoubtedly result from the general upheaval and reconnaissance that have been taking place.

The states have sought to bolster up their revenues during the depression chiefly in the following ways: (1) through enactment of income tax and general sales tax laws; (2) through modification of tax collection laws; (3) through increase or change in the distribution of gasoline and motor vehicle taxes; (4) through adoption of liquor revenue laws.

Before considering, however, how they have attempted to reach additional revenues, it seems worthwhile to consider briefly the amazing spread of the movement to cut off the revenues already available.

THE TAX LIMIT MOVEMENT

The present depression has evoked a great mass of tax limiting legislation. At least fourteen states have enacted

RECENT TAX LIMITING LEGISLATION

State	Date	Type of Law	Type of Limit	Government Limited	Amount of Limits (Percentage refers to proportion of assessed valuation of real and personal property)
Calif.	1933	Const.	Total	State	No more than 5% increase over levy of preceding year (except for schools) except by 2-3 vote of both houses of Legislature.
	1933	Const.	Total	State	State property tax not to exceed 25% of total appropriation.
	1933	Const.	Total	Local govts.	No more than 5% increase over levy of preceding year. After Jan. 1, 1935, Leg. may limit county and city rates.
Ind.	1933	Stat.	Rate	All governments	1% outside corporate limits; 1.5% inside corporate limits. (Includes 0.15% state limit, but not poor relief. Additional for debt charges when necessary).
Iowa	1933	Stat.	Rate	All governments	Total rate for 1933 and 1934 not to exceed 20% of 1930 rate. Exceptions: Levies subject to State Board of Assessment and Review; rates authorized for support of poor; debt charges; fire dept.; schools
	1933	Stat.	Rate	Counties	1.6%.
Kan.	1933	Stat.	Rate	Counties	Graduated from 0.35% in counties of $40,000,000 or over assessed valuation to 0.5% in counties of less than $10,000,000 valuation. Increase of 0.15% allowed for roads. Debt charges excepted
	1933	Stat.	Rate	Cities	1.4%, except for debt charges; 0.15% for high school extension course.
Mich.	1932	Const.	Rate	All governments	1.5%, except debt charges. May be increased to 5% by voters, for not more than 5 yrs. at one time, or when provided by charter of cities. No state levy.
Minn.	1933	Stat.	Total and rate	Counties	Limits vary according to number of townships and ass. valuation. Sometimes by rate and sometimes by total revenue. In certain counties, 0.7% and 0.8%.
Neb.	1933	Stat.	Rate	Cities and Counties	0.05% for poor relief. Numerous levies for specific purposes.

Nev.	1933	Const.	Rate	All governments	Proposed amendment: 5%, including debt charges. (Approved by 1933 legislature. Must be passed by 1935 legislature and ratified by electorate).
N. M.	1933	Const.	Rate	All governments	2%, except debt charges and special assessments. Additional if approved by voters.
N. D.	1933	Stat.	Rate	Townships	0.5%; unorg. 0.2% and addtl. 0.2% for other purposes. Excess up to 50% of above levies if app. by voters.
Ohio	1933	Const.	Rate	All governments	1% (effective Jan. 1, 1934), in place of previous 1.5% limit, except debt charges and special levies authorized by voters.
Okla.	1933	Const.	Rate	All local governments	1.5%, except existing debt charges. 1% additional in school districts by vote of people. Additional 0.2% by counties for separate schools for white and colored. Maximum 2.7%. No state levy.
R. I.	1933	Stat.	Rate	Cities and Towns	2.5%, except debt charges. Increases may be authorized by State Finance Commissioner.
Texas	1933	Const.	Per cap.	State	Proposed amendment: $22.50 per capita to be maximum collected, except in emergency. App. by Legislature.
Wash.	1932	Stat.	Rate	All governments	4% on valuation at 50% of true value. State, 0.5%; counties, 1%; school dists. 1%; cities and towns, 1%. Addtl. levies for debt charges and when app. by voters.
W. Va.	1932 1932	Const. Const.	Rate Rate	State All governments	0.01%, except for existing debt charges. 0.5% on residential and farm property; 1.5% on all other prop. outside municipalities; 2% within mun. Law not clear on debt charges. Inc. up to 50% max. rate and for not more than 3 yrs. if auth. by voters. Rev. apportioned according to levy laid in units.

laws during the last two years setting limits of one kind or another upon the tax-raising powers of state and local governments, and in seven of these states such provisions have been embedded in the state constitutions. Two other constitutional amendments await approval by the voters. Similar legislation is being advocated in a number of other states.

Indiana, Michigan, Ohio, and West Virginia are outstanding in the stringency of their provisions. In each of these states there is an overall limit on the property tax which covers all types of governments. Indiana and West Virginia make the limit somewhat higher in municipalities than in unincorporated areas. Ohio and Indiana have 1 per cent limits (1½ per cent in Indiana inside corporate limits); Michigan has a 1½ per cent limit. The West Virginia limit ranges from ½ of 1 per cent on residential and farm property to 2 per cent within municipalities.

THE SALES TAX STAMPEDE

The critical situation which the states were already facing was intensified by the decreased revenues resulting from the tax limits. In desperation and haste harassed lawmakers cast about for new sources of taxation and seized upon the tax which was being so assiduously advocated, for obvious reasons, by real estate interests, automotive industries, and big income tax payers. Within less than two years, over one-third of the states resorted to the undemocratic and regressive general sales tax.

There was not much of a choice for some of the states. They were so fettered and encumbered by constitutional restrictions that they could do little else. Michigan is an outstanding example of a state in which it is legally impossible to have an equitable and scientifically devised tax system. The uniformity clause (which is held by many to bar the way to adoption of a graduated net income tax and to a general classification of property for taxation), coupled with the constitutional tax limit, seems to be effective in preventing the adoption of a modern and well balanced revenue system. It is not strange, therefore, that Michigan has adopted the most oppressive sales tax law in the country—a 3 per cent tax on the sale of all commodities, including food, clothing, and medicine.

Two states enacted sales tax legislation in 1932, sixteen in 1933, and seven in 1934. Two of these laws have expired, three were defeated at popular referenda, and two were declared unconstitutional and were re-enacted in slightly different form. Three of the 1934 laws replaced, or were in addition to, existing laws.

The rates for the laws which have been mentioned range from ½ of 1 per cent to 3 per cent. In one or two states

GENERAL SALES TAXES
(of ½ of 1% or more)

State	Year	Type of Tax	Rate
Arizona	1933	Gross income including services	½ of 1% producers; 2% retailers and services.
California	1933	Retail sales	2½% to July, 1935; 2% thereafter
Illinois	1933	Retail sales	2%
Indiana	1933	Gross income including services, investments and sales of real prop.	¼ of 1% producers; 1% retailers and services
Iowa	1934	Retail sales	2%
Kentucky	1934	Retail sales, services and admissions	3%
Michigan	1933	Retail sales	3%
Mississippi	1934	Gross income including services	⅛ of 1% wholesalers; 1% mfrs.; 2% retailers and others
Missouri	1934	Retail sales	½ of 1%
New Mexico	1934	Retail sales	2%
North Carolina	1933	Gross sales	1-25% wholesale; 3% retail
Oklahoma	1933	Retail sales	2% retail; 1% gas and elec. for industrial purposes; 1% farm tools and machinery
South Dakota	1933	Gross income including services, investments and sales of real prop.	¼% mfrs. and wholesalers; 1% retailers; 1-2% services
Utah	1933	Retail sales, services and admissions	2%; beer and malt extracts 5%
Vermont	1933	Retail sales	⅛%-4% graduated according to sales
Washington	1933	Gross income including services, investments and sales of real prop.	¼% mfrs.; 1-5% wholesalers; ½% retailers; 2-5%-5% services
West Virginia	1934	Retail sales	2%

NOTE: Sales tax laws in North Dakota and Oregon were defeated by popular referenda in 1933 and a similar law was defeated by the Oregon voters again in 1934. The first sales tax laws passed by Arizona and Illinois in 1933 were declared unconstitutional. The laws were revised and re-enacted. In 1932 Pennsylvania adopted a sales tax law which was for a six months' period only and was not continued after that date. The New York 1 per cent law expired June 30, 1934.

food is exempt from the tax. There have been no exemptions of other necessaries. About half of the laws are for specified temporary periods, usually of from one to three years.

SPREAD OF INCOME TAX LAWS

A somewhat more encouraging development during the depression has been the steady but much less spectacular spread of graduated net income taxes. Personal income tax laws were in force in nineteen states on January 1, 1933. Four of these laws had been adopted since the beginning of the depression. The Washington law, however, has since been declared unconstitutional on the grounds of violating the uniformity clause. Six more states passed income tax laws in 1933 and one in 1934. At present there are twenty-two states levying both personal and corporate net income taxes, in addition to Montana, where the law will not go into effect until voted upon by the people; three which levy upon corporate incomes only; and one which levies only upon personal incomes. All but two of the preceding taxes on personal income are graduated. Three states tax only the income which is derived from intangibles. Personal income tax laws passed by Illinois in 1932 and by Tennessee in 1931 were declared unconstitutional on the ground of violating the equality and uniformity clauses. A personal income tax law for California was pocket vetoed by the Governor in 1933.

GRADUATED PERSONAL INCOME TAXES

State	Date[1]	Exemptions	Rates
Alabama	1933	$1,500 single 3,000 married 300 dependent	1-5% on incomes over $8,000
Arizona	1933	Deduction from tax only: $8.00 single 17.50 married 4.00 dependent	1-5½% on incomes over $11,000
Arkansas	1929	1,500 single 2,500 married 400 dependent	1-5% on incomes over $25,000
Delaware	1917	1,000 single 2,000 married 200 dependent	1-3% on incomes over $10,000. Governor may alter rates
Georgia	1929	1,500 single 3,500 married 400 dependent	1-5% on incomes over $20,000
Idaho	1931	700 single 1,500 married 200 dependent	1-6% on incomes over $5,000
Iowa	1934	Deduction from tax only: $6.00 single 12.00 married 2.00 dependent	1-5% on incomes over $4,000
Kansas	1933	750 single 1,500 married 200 dependent	1-4% on incomes over $7,000
Minnesota	1933	1,200 single 2,000 married 250 dependent	1-5% on incomes over $10,000
Mississippi	1912	750 single 1,500 married 200 dependent	2½-6% on incomes over $15,000
Missouri	1917	1,000 single 2,000 married 200 dependent	1-4% on incomes over $9,000
Montana	1933 (Not effective until voted on November, 1934)	1,000 single 2,000 married 300 dependent	1-4% on incomes over $6,000 Surtax 1-25%
New Mexico	1933	1,000 single 1,500 married 200 dependent	1-4% on incomes over $100,000
New York	1919	1,000 single 2,500 married 400 dependent	1-3% on incomes over $50,000 Rates doubled 1932-34
North Carolina	1921	1,000 single 2,000 married 200 dependent	2-6% on incomes over $6,000

North Dakota	1919	500 single 1,500 married 200 dependent	1-15% on incomes over $15,000
Oklahoma	1908	1,000 single 2,000 married 500 dependent	1-6% on incomes over $15,000
Oregon	1930	800 single 1,500 married 400 dependent	2-5% on incomes over $7,000
South Carolina	1922	1,000 single 1,800 married 200 dependent	2-5% on incomes over $6,000
Utah	1931	1,000 single 2,000 married 400 dependent	1-4% on incomes over $8,000
Virginia	1843	1,000 single 2,000 married 200 dependent	1½-3% on incomes over $5,000
Wisconsin	1911	Deduction from tax only: $8.00 single 17.50 married 4.00 dependent	1-7% on incomes over $12,000; surtax

[1]Date law was first passed. Many laws have been rewritten or amended since. Data in following columns refers to provisions now in force.

MODIFICATION OF TAX COLLECTION LAWS

A nation-wide survey of tax delinquency, now being conducted by the Bureau of the Census, shows that delinquency amounts to more than 40 per cent of the tax levy in some states. There is always a certain amount of delinquency in connection with real estate taxes, but this has increased by leaps and bounds during the depression until in many places it has constituted a severe problem for the states and has brought local governments to the verge of bankruptcy.

Practically every one who makes a study of the problem arrives at the conclusion that inefficient collection procedure is the chief reason for tax delinquency. Even the most casual survey of tax collection laws shows surprising differences in the state laws. There are, in addition, numerous local variations. The situation would be nothing like so bad, however, if the laws, such as they are, were well enforced. But when lax and slovenly administrative methods are superimposed upon haphazard legislation the result is likely to be, and is, very bad indeed.

At least thirty states have eased up on tax collection laws during the last eighteen months. Among the methods used to stimulate tax payments have been drastic reduction of penalties and interest and even, in some cases, of the principal of unpaid taxes. Instalment payment of current and delinquent taxes has been made legal in a number of states. Tax sales have been postponed and the period of redemption after sale extended. Approximately one-third of the states have enacted provisions whereby penalties are remitted if delinquent taxes are paid by a certain date.

The demoralizing effect of sporadic remission of penalties and even compromise of the principal of delinquent taxes adds a further element of confusion and uncertainty to the situation. If the legislature has been known to remit penalties in a burst of generosity in one crisis, there is always the hope for the delinquents that it may do so again. Hence, there is a gambling chance that a taxpayer will do well to let his taxes ride until the situation becomes so critical the legislature will again let up on the penalties.

Such procedure fosters delinquency and is extremely discouraging to those honest and responsible property owners who have made sacrifices in order to pay their taxes when due.

DIVERSION OF GASOLINE TAXES

Thirty per cent of the average state's revenues were obtained from gasoline and motor vehicle taxes in 1931. There has been very little increase of gasoline

tax rates as a result of the depression. The rates had already been made as high in a number of states as it was considered expedient to make them. Oregon increased the rate by one cent in 1933 and in four other states—Arizona, Florida, New York, and Tennessee—temporary increases were continued or made permanent. There has been, however, much legislation affecting the distribution of gas funds. Several states provided for diversion of a portion of the funds to poor relief, education, or the general fund, frequently for stated temporary periods. Registration fees for pleasure cars were decreased in many states and in some instances the fees for trucks and buses were decreased.

ADOPTION OF LIQUOR REVENUE LAWS

Liquor taxes proved to be an eagerly welcomed source of revenue for the harassed states. With the repeal of prohibition early in December 1933 legislatures in several states were hastily assembled in special session to devise schemes for controlling the liquor traffic and for tapping the profits for the benefit of state funds.

Twelve states have decided to experiment with the liquor authority plan and take for themselves profits rather than taxes. Montana was the first to take this action. Liquor retailing has been made a state monopoly with state liquor stores under the control of a state liquor board. Sales will be made only to persons holding permits and possession of liquor not obtained on a permit will be illegal.

Other states that have adopted some form of state monopoly are Delaware, Iowa, Michigan, Mississippi (subject to referendum), New Mexico, Ohio, Oregon, Pennsylvania, Vermont, Virginia, and Washington. The state authority plan is being actively sponsored in a number of other states, and has the approval of students of the liquor control problem.

All of the other states in which the sale of liquor is legal have adopted the license system of liquor control. License fees are supplemented by excise taxes. As may be expected in connection with any type of tax, there is much variation in the rates as between states. Beer taxes, for example, range from fifty cents to $4.65 a barrel. The usual rate is $1.00 or $1.25 per barrel. Taxes on hard liquors run from forty cents to $2.00 per gallon. The tax in several states is $1.00 per gallon. Taxes on wine run from nothing to $2.00 per gallon.

Twenty-one states are still legally dry, eleven of them constitutionally so, and in three states nothing more potent than 3.2 per cent beer can be sold. Meanwhile, the sale of bootleg liquor proceeds apace and the states are powerless to tax the business. Provision is being made for repeal in most of these states.

RESULTS OF FINANCIAL LEGISLATION

Statistics are not yet available on which to base an analysis of the extent to which the states have been financially successful in their intensive legislating for increased revenues. The determination of their success from the social and economic points of view is even more a question to be answered in the future rather than at present. Certainly, when the financial picture of the depression years has been completed, striking changes will be apparent in the proportional significance of the different forms of state revenue. Whether these changes mean, on the whole, a fairer distribution of tax burdens and a more scientific system of taxation is seriously open to question. One of the large public finance undertakings of the next decade may have to be clearing away the debris of much of the 1933-1935 tax legislation.

In a second article which will appear in the August REVIEW, Dr. Walker will discuss constructive legislative proposals that are being advocated by prominent students of taxation. —Editor.

Nebraska Considers a One-House Legislature

Issue will go to voters in November

LANE W. LANCASTER

University of Nebraska

ONE of the hoariest of American political dogmas is the belief in the system of checks and balances. In the field of legislation this is implemented in part through the bicameral system. The origins of this system are lost in the mists of the Middle Ages and no one knows with any certainty why the Lords Spiritual and Temporal began sitting apart from the Knights of the Shire and the Citizens and Burgesses in 14th century England. But, the division once accomplished, there were philosophers enough willing to see in an accidental happening the working of a deep and conscious purpose.

To the political scientist bicameralism is of course defensible in a large national state or even in a provincial area where interests are many and varied and where it is therefore desirable that a place be found to exhibit clashing points of view. Or, in a class state, the different orders of society may with justice demand separate agencies for the declaration of public policy. To a degree some of these conditions still persist. Thus the Senate of the United States may well claim to represent broad regions and important, if minority, interests in American society, as over against the House of Representatives with its basis in mere numbers and a membership doomed by the realities of politics to a more parochial point of view.

In the typical American state, however, there are present few of the conditions which justify a legislature of two houses. So far as bicameralism is a device for encouraging deliberation and debate, its fate would seem to be involved in that of the traditional deliberative process generally. Persuasion by talk is a device of the pre-industrial age. It is not too much to say that the press and modern agencies of transportation and communication, by making almost instantly available to the legislator the will of his constituents, have reduced legislative bodies to mere machines for the registering of decisions taken elsewhere by the real, if undiscoverable, rulers of society. Moreover, the issues which have import in the modern state do not in most cases lend themselves to the traditional apparatus of what Carlyle called a "talk shop." So deeply is the subject-matter of modern legislation involved in complicated questions of technology that the wisest legislative body has surprisingly little to contribute to its elaboration. It is true that the legislature may be kept large and cumbersome to permit the "blowing off steam" and the venting of prejudices by the electorate, but this end is likely to be purchased at the cost of a good deal of unintelligent tinkering.

A good section of the electorate is likely to be dimly conscious of such shortcomings at a time when the demand is for action and when the some-

what undignified antics of the legislature are costly to the taxpayer. Since logic is no great part of politics it matters little to the voter that the purposelessness of the legislature reflects rather well his own sense of bewilderment in a vexed world; he is ready to take a chance on flying in the face of "the wisdom of the Fathers" at least to the extent of experimenting with his governmental machinery.

Unicameralism has been a subject of discussion in some state in every legislative year since 1913. At least ten states have considered this reform either in their legislatures or in constitutional conventions or at the ballot box. At every session of the California legislature from 1913 to 1925 the proposal to submit an amendment providing for the change to a one-house body received the support of at least one branch. Oklahoma and Oregon actually voted on proposed amendments between 1912 and 1916 and there is a record of at least spasmodic interest in such a change in Ohio (1912, 1932), Kansas (1913), Alabama (1915), Washington (1915, 1917), and South Dakota (1917, 1923, 1927). At times there has been interest of a less definite sort in other states.[1]

The interest of Nebraskans in the unicameral principle goes back twenty years. A joint committee of the legislature of 1913 reported that the bicameral system was not a success and that "in practice it has been found that the so-called check between the two houses results in deadlocks and the absence of real responsibility which should be felt by representatives of the people," and urged the abolition of one house. The matter was again before the constitutional convention of 1919-1920 and the submission of an alternate amendment to the present bicameral plan was defeated only by the breaking of a tie vote. Since 1920 interest has been kept alive largely by Senator George W. Norris who has advocated a single-chamber legislature from time to time, often as a part of a "model state government," which has long been one of his objectives for Nebraska.[2]

THE LEGISLATURE TODAY

The present legislature of the state consists of a senate of thirty-three members and a house of representatives of one hundred. The constitution permits a senate of fifty members and limits the house to one hundred. There is no lower limit in either case. On the basis of the 1930 census each house member represents about 14,000 people and each senator about 40,000. The districts for the election of members are laid out with a fair degree of honesty, though at present the two most populous counties —Douglas (Omaha) and Lancaster (Lincoln)—are under- rather than over-represented. Within recent years there have been few attempts at gerrymandering. On the whole the personnel of the two houses has not been markedly inferior to similar bodies elsewhere. The house has on occasion been tumultuous in its conduct, and is generally parochial in its point of view, and it is the belief of intelligent observers that the upper chamber is, through the years, a distinctly abler body.[3]

The records of the legislature are not kept in such a way as to enable the student readily to learn very much about the "checking" function of the bicameral system. At any rate figures are not at present available covering any extended period of years. On the whole, however, two conclusions seem valid. First, formally at least, the

[1]For a list of movements toward the change to a unicameral legislature see Daniel B. Carroll, *The Unicameral Legislature of Vermont,* (Montpelier, 1933) pp. 4-6.

[2]See his article "A Model State Legislature," printed in the *New York Times* for January 28, 1923, and reprinted in the *Congressional Record* for February 5, 1923.

[3]A very fair estimate of the legislature is contained in the article by Ralph S. Boots, "Our Legislative Mills: Nebraska," in the NATIONAL MUNICIPAL REVIEW for February 1924 (pp. 111-119).

chambers certainly check each other if such a check is to be measured solely by the number of bills originating in one house which are rejected by the other. It is interesting to note, however, that in the 1933 session the house was far more active in rejecting measures sent to it by the senate than the latter body was in defeating bills originating in the house. Of 178 senate bills sent to the house that body rejected 105, or 59 per cent; of 133 house bills sent to the senate only 33 or 25 per cent were defeated there.[4] This, of course, is the opposite of the situation which earlier theory expected to obtain as between the "radical" and "conservative" chambers. In any event this method of estimating the "check" is open to the obvious criticism that bills should be weighed as well as counted. And what the "check" is worth from this point of view is almost entirely a matter of opinion. In the second place, it seems correct to say that the two-house system is used in Nebraska as elsewhere as a means of evading responsibility.

Nebraska experience is negative with regard to two of the arguments commonly used against the bicameral system. The "check" of the executive veto has been sparingly used, though it is given in ample terms. In 1933 it was applied to less than 7 per cent of measures passing both houses and this figure is rather higher than the average for the sessions since statehood. Nor do the evils commonly associated with the conference committee in national legislation appear to have been serious. For a good many years members have made frequent use of the facilities of the legislative reference bureau in bill-drafting and the presence of two houses does not seem to have been very important from the point of view of improving the technical form of measures.

As a matter of fact the present movement to secure a one-house legislature is an attempt to capitalize a rather general *malaise* not easily reducible to concrete objections to the old order. To put it bluntly, the last legislature left a bad taste in the mouths of many voters not usually over-critical. Possibly because it contained an unusually large number of inexperienced members, it wasted a good deal of time on trivialities. It produced out of its own ranks no vigorous or confident leaders able to take in hand the more than usually vociferous rank and file. The serious illness of Governor Bryan which continued throughout the session deprived it of what might well have been effective and prudent guidance. It met at a time of deep agricultural distress and was in a mood to assail rather than consider. Overwhelmingly Democratic for the first time in years it was disposed to deal rather savagely with the state institutions located in or near the capital city—which had remained faithful to the Republican party. Though it had its full quota of incompetent and ignorant members candor compels the admission that it was probably not very greatly inferior on most counts to the average Nebraska legislature. But its uncertain fumblings with such matters as the liquor question, appropriation bills, and tax reforms, after loud promises to pass only necessary legislation and go home, left a painful impression in the minds of many who are now disposed to think that any change would be an improvement.

The proposed legislature would consist of not fewer than thirty nor more than fifty members elected as at present for a term of two years from single-member districts on a nonpartisan ballot. Many of those closely concerned with drafting the text of the amendment felt that the 1933 legislature, in remov-

[4]The figures for 1933 were furnished me by my colleague Professor L. E. Aylsworth. Boots gives figures for the 1921 and 1923 sessions which lead to much the same conclusion.

ing the party circle from the ballot, had gone as far in the direction of nonpartisanship as was politically wise at present. However, this feature was finally incorporated because of the influence of Senator Norris and, in view of the large number of independent voters in the state, may in the end not seriously jeopardize the measure's chances of success. The legislature in session in 1935 is directed to lay out the districts from which the members of the new body would be chosen, to fix the number of members, and to make other arrangements necessary to put the plan into operation.

The size and salary of the proposed legislature may best be considered together. The original draft of the amendment made in the fall of 1933 by Senator Norris himself called for a body of twenty-one members to meet annually and to be paid $2400 a year. Among those in the state most active in preparing the amendment for the initiative petition there was a feeling that a chamber of twenty-one would perhaps be inadequately representative and that such a reduction from the present total of 133 members would be more than the voters could contemplate without shuddering. Moreover the contrast between the $800 now paid members (for the full term) and the proposed $2400 a year would doubtless seem rather startling, though in fact the salary roll at the latter rate would be smaller than at present by a few thousand dollars. In the end a compromise was hit upon by the terms of which the total of the salaries paid should not exceed $37,500 a year. Hence if the new legislature should contain thirty members each would receive $1,250 *per year;* if it should consist of fifty members each would get but $750 *per year.* The originator of this compromise reasoned that the possibility of a fairly adequate salary would count somewhat with the members of the 1935 legislature who would have to put the plan into operation (and who would have their eyes on seats in the new legislature) and would influence them to keep the number nearer thirty than fifty; while those of the electorate who felt that a number as small as thirty would be insufficiently representative might take comfort from the possibility of its being fifty.

The provision that the salary should be paid annually also has an interesting history. The original Norris idea was to provide for a small legislature which would meet annually and remain in session a good part of the time. This apparently offered the possibility of developing a group of expert legislators, paid a salary sufficient to attract able men into the state service and in close and constant touch with the administration. In the end, however, it was decided that the voters were not yet ready for annual sessions, so that the text of the amendment provides that "the sessions of the legislature shall be biennial except as otherwise provided by this constitution or *as may be otherwise provided by law,*" the italicized words being inserted so as to permit more frequent regular sessions if thought desirable later. Finally, though it is not thought that sessions will be more frequent than every two years, it is provided that the salary shall be paid through the period for which members are chosen.

To place the measure on the ballot for the November election about 57,000 signatures are required—10 per cent of the total vote cast for governor at the last election. These must be so distributed that 5 per cent of the vote cast for governor must be secured in each of at least two-fifths of the counties of the state. On June 5, a full month ahead of the "dead line," the proposal had secured 75,000 signatures so that its place on the ballot is assured. To be adopted it must receive a majority of the votes cast for and against it with the additional proviso that this majority must equal 35 per cent of the total vote

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Uniform Accounting For Local Governments

Need for intelligent and adequate accounts and reporting with steps already taken toward this end outlined by authority

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PUBLIC business is daily assuming larger proportions and greater seriousness. The government is demanding increased efficiency and regularity in private business. Consequently, it is essential that the government do well the work for which it is itself responsible. As the United States Chamber of Commerce has stated, "Effective accounting and auditing should be just as much a part of public management as they are of private business management."

There can be no question as to the value of uniform accounting and reporting for all units of a similar activity and its great desirability. A common system, if it is developed in accordance with sound principles, brings the assurance of a high and authoritative standard of procedure. It removes the opportunity for constant changes made in accordance with individual ideas and not following accepted standards. It permits valuable statistics and comparisons. The usefulness and advantages of such a plan have been clearly proven in many fields. Various lines of private business have achieved a high degree of advancement in this respect. Among these may be noted banks, utilities, and railroads.

In certain fields of public business also much has been done in this regard. I will mention two recent important developments, both of which are of particular interest to state fiscal officers. The first of these is the work of the National Committee on Standard Reports for Institutions of Higher Education.[1] This committee has undertaken to work out a standard system of financial reporting for all colleges and universities and to secure the adoption of that system.

The other is the uniform system for hospitals and is represented by the work of the United Hospital Fund of New York. Its recent publication, *Accounting and Business Procedure for Hospitals,* fills in a most adequate way a great need in this field and will undoubtedly secure wide recognition and acceptance.

Although there is a great deal of good accounting and financial reporting done in individual localities, *local government accounting and reporting in general is on a low plane.* Even in the larger units, in spite of many examples of good work, there are nevertheless many situations in which the records are incomplete and the reports unintelligible. In small units even a greater degree of inadequacy exists.

In municipalities there is the greatest possible degree of variation, ranging from perfect systems to no systems at all. A recent study made in Illinois indicated that in cities of from seven to

[1] 5835 Kimbark Avenue, Chicago.

eighty thousand population, less than one-half were able to produce a balance sheet and less than 13 per cent had reports which could be considered as fully satisfactory when measured by proper standards. A certain large city in another state reported for the last year a surplus of its current funds of approximately $4,000. Actually, the city had a current deficit of over $1,500,000. In counties the situation is hopeless. In school districts the condition is illustrated by a recent incident which came to my attention, in which the clerk's report showed for one fund a surplus of about $700, while the audit revealed a deficit of over $92,000.

PROGRESS SLOW

Little has been accomplished on a widespread scale with respect to uniformity in the accounts and reports of governments. Although a number of the states have moved in the direction of uniform systems within their area, but little has been done to coördinate these various systems. All work in this field suffers because of the lack of authoritative standards which may be followed.

Fortunately, an important and well organized movement to overcome these difficulties is now going forward. The National Committee on Municipal Accounting has recently been organized, consisting of representatives from all national associations of public accountants and accountancy teachers, associations of public officials, and of citizens. Its purpose is the formulation of principles and standards of municipal accounting, reporting and auditing. Its headquarters are at 850 East 58th Street, Chicago. It is not expecting too much to anticipate that uniform standards of a high order will result from this undertaking.

From the conditions which exist we see that, where the responsibility for accounting and reporting has been left with local governments, these units in the great majority of instances have failed to produce satisfactory results. Local governments which have been left to their own devices in these matters have done little except in isolated instances. Yet local governments have steadily opposed any plan of state supervision of these matters. Leagues of municipalities have often been active in the defeat of meritorious legislation designed to improve and unify local financial practices. Yet few of them have been equally active in bringing about the needed reforms through other means. If the cities individually or through their associations demand autonomy in such things then they must assume responsibility for getting results. If they fail to carry out that responsibility in an adequate way, the only alternative is state supervision.

STATE REQUIREMENTS

Approximately one-half of the states require some kind of financial reports of municipal and county governments. The majority of these states prescribe and provide for the installation of uniform accounting systems. A considerable number of them provide for periodical inspections of the accounting records. The individual requirements in the various states, however, vary widely. Some of the states require reports on certain matters of finance, others require complete reports. Some design and require the installation of a certain system. Others recommend a system but make its installation optional. Others require reports without specification as to form. A wide variation exists in the nature of audit programs. There is an absolute lack of harmony in the requirements of the various states, no prevailing unity in the kind of system prescribed, and a wide range of the requirements imposed upon the local governments in the respective states.

If state supervision of local government accounting is introduced, it is important that correct principles to be followed in such a program be recognized and observed. The state should set the standards which local governments should meet and see that those standards are lived up to. The state should not undertake to do the work itself. Instead, it should make use of existing agencies, including the local governmental organizations and the public accountants.

State supervision should be carried out on a basis of coördination and cooperation with local officers, and through the services of practicing public accountants.

If there is to be a uniform system of accounting, it must be of high standard and conform to basic principles in order to be effective. We should therefore consider some of the underlying principles on which such a system should be based.

WHAT IS NEEDED

Among the fundamental qualities which must be present in any adequate system of governmental accounting must be mentioned:

(1) The accounts must be classified by funds in such a way that all of the resources and obligations of each fund are clearly set out from all other accounts and the surplus or deficit of each fund clearly shown at all times.

(2) A clear separation should be maintained by the accounts of current operations and those of a capital nature. The current assets and liabilities of each fund should be clearly separated from the fixed assets and bond obligations of that fund.

(3) The accounts must provide for an adequate system of budgetary control. It is not sufficient merely to record the receipts and disbursements or the income and expenditures.

(4) The system must be operated on income and expenditure basis and not merely on a cash receipts and disbursements basis.

A double entry system of bookkeeping is demanded with a general ledger at its center. This simple requirement seems too obvious to mention, yet it is lacking in so many local governments that it must be included in any list of fundamentals. The attempt to account for all activities through the simple media of a cash book and a warrant register is so common in local governmental affairs that we are faced with the necessity of insisting upon a system which starts with the commonly accepted essentials of good bookkeeping.

The varying character of the different activities of local government must be recognized in the system of accounts. Publicly operated utilities, for example, require such a system as will accurately reveal the true results of their operation. The growth of this type of management and the general inadequacies of present accounts and reports concerning it emphasize the necessity of careful attention to this phase of the problem.

A CORRECTION

The tax rates for Mobile, Alabama, (Number 129) as published in "Comparative Tax Rates for 284 Cities," December 1933 REVIEW, should be revised to read for the city, $4.50; school, $7.20; county, $7.50; and state, $2.10. The total is correct as reported, but the author advises that the distribution by purposes was incorrectly tabulated.

Internships in Practical Government

Laboratory training in the practical operations of government planned for students of political science

OTIS T. WINGO, JR. *Executive Secretary, National Institution of Public Affairs*

To those who have been bending their efforts toward improvement of the standards of public service and to the betterment of governmental and political management, the changed attitude toward politics that has developed in America in recent years has been gratifying and encouraging. Debate may wax long and hot as to just what has been the main factor in the realization of this change in attitude—whether it is to be found in an altruistic turn of mind toward public service, or whether it lies in the fact that opportunities in fields of business have been materially reduced, with the result that governmental service has become more attractive.

The truth remains, however, that well manned government is vitally necessary to our economic well being. The fact is now generally accepted that an increased relationship between governmental authority and our business and financial activities requires that public service must be efficient, enlightened, and on a high plane of purpose and interest.

In the turning of many of our better trained young people to the field of government and politics as holding likely prospects for careers, one question is reaching an answer, but the problem is not solved. Conspicuously remaining is the question, whether or not those young people with all their academic training are adequately equipped for public and governmental service. Those college trained people, who have perhaps followed rather intense studies of political and economic theory and history, have on the whole entered public service with but a scanty knowledge of the actual workings of government and political forces. That lack has been a fundamental weakness, and the importance of remedying it has become evident.

Recognizing the need for that direct contact with reality, the National Institution of Public Affairs has been established to provide to selected students, competitively chosen on a scholarship basis, a laboratory training in the practical operations of government that is designed to supplement classroom study of political science.

On February 4, 1935, the winners of scholarships to the Institution's first program will be brought to Washington for a two months' study and training which will include the serving of an "internship" by each student. In this adaptation of the apprentice plan to the study of government and politics, the student will receive a combination of actual experience as administrative assistant to a governmental official and directed instruction from the Institution's educational director and staff of

social science professors, brought to Washington on leave of absence from their respective colleges for the duration of the program or parts thereof.

Although sponsored by the national administration and enjoying the cooperation of the federal government in its training and study program, the National Institution is a nonpartisan, nonpolitical, privately financed and self-governing organization. On this basis its training and activities are free of political or governmental control.

Early next fall faculty selection committees at each college and university will nominate the respective institutions' quota of candidates for the National Institution's scholarships. These candidates will compete for final appointments to be made by the Institution on a regional basis determined by distribution of student population. Most of the scholarships will include educational expenses, transportation to and from Washington, and board and room for the two months' training period.

SCHOLARSHIP QUALIFICATIONS

Eligible for the scholarships to the training program of 1935 will be students from four levels: juniors, seniors, graduate students, and recent graduates of accredited institutions who have pursued a substantial study of political science and related subjects. Qualifications which the scholarship candidates must have include a strong scholastic standing, a demonstrated interest in politics and government, qualities of character and ability especially those having to do with leadership, and good health.

The Institution's program of study and training, designed not to compete with existing educational facilities but to supplement theoretical and classroom study of politics and government with a laboratory experience, will afford a first-hand knowledge and training in the practical functions, organizations, procedure, and methods of the federal government. Included in this laboratory training, which will be under the direction of the Institution's educational director, will be:

1. Conferences and forums with high governmental officials and subdivision of students into small groups on a tutorial basis for individual contacts and relations with governmental officials.

2. Observation of the practical operations of the major functions of the federal government.

3. Analysis of these dominant functions, in connection with discussion groups led by the visiting professors.

4. Application by each student to a particular case problem of his choice.

5. The serving of an "internship" which comprehends actual administrative work and duties in a government agency of particular interest to the student.

6. A report or thesis by each student on the training program, one copy of which must be submitted to the Institution and one to his college.

Such a training in the national field of government and politics has, according to all available records, never before been offered in America. The idea, however, is not a new one, for included in the last will and testament of George Washington is the wish for a national institution at Washington to afford to young people from all over the country a training in the social sciences, particularly government and politics. Although such a practical training in connection with a national government seems to have been confined to an internship program of the Turkish Government and the coöperative program of the Central Political Science College at Nanking, China, a few instances of its development exist in the field of

American municipal government. Following the lead of those cities which have already inaugurated such a program, a number of colleges are now considering the establishment of a training in local government that can be coordinated with the National Institution's activity.

The National Institution of Public Affairs constitutes the first fundamental step in a conscious, objective program for the training of public leaders to replace the hit-and-miss haphazard methods which have prevailed in the past.

To the extent to which this program develops and is supported will depend largely the maintenance and future stability of our form of government. For, if a democratic form of government such as ours does not provide a direct objective method for developing leadership in the ranks of the nation's youth to keep pace with the increasing demands for leaders brought about by a social and economic system growing more sensitive, intricate, and complex each year, then that form of government is doomed.

Through its program the National Institution not only hopes to augment theoretical and classroom study of politics and government by a knowledge and training in the practical operation of government, it also looks to the development of a new and most necessary tradition which will attract to public affairs the well trained young people of high character and ability who are becoming increasingly vital to those growing complexities of governmental activities. Upon the development of that program and that tradition depends the future well-being of our country, economically and socially.

NEBRASKA

(Continued from page 376)

cast for governor at the election at which it is submitted.

To date there has been little public discussion of the question since Senator Norris himself addressed a large public meeting in February, and generally speaking, the press of the state is yet to be heard from. Those who favor the proposed amendment argue that it would produce a more wieldy and business-like body, would fix responsibility for legislation, and would in the end attract abler men to the legislature. The opposition, so far as it is articulate, lays great stress on the need for checks and generally is impressed by the applicability of the "wisdom of the Fathers." A state senator whose proposal of a one-house legislature of one hundred members was defeated in the 1933 session after an amendment was attached to reduce the membership to thirty-three, has printed petitions at his own expense and is now attempting to secure signatures for his original proposal. It is barely possible, of course, that opponents of the Norris measure will assist in this movement in order to complicate the issue for the voters.

It seems quite likely, with reference to the specific proposal to be placed before the voters, that the "wisdom of the Fathers" will triumph again. It would be interesting, however, if one state could "break the ice" and demonstrate that the evils predicted by such an escape from mortmain would not materialize. With the states apparently doomed to become administrative units in a consolidated national state it would seem inevitable that their "legislative" bodies will in the end be compelled to assume a form more consistent with their changing duties and responsibilities. Further, unless a way is found to put a stop to the endless bickering of the envoys of petty districts, which seems to be encouraged by the retention of large legislative bodies, an impatient public may end by putting a period to the whole democratic experiment at our state capitals.

New York Legislature Again Impedes a Progressive Governor

Less than half of Governor's recommendations receive support of both houses

RUSSELL McINNES

Member Legislative Committee, Citizens Union of New York

THE adjournment of the New York legislature at the end of April brought to a close one of the most important sessions of that body in its long history. Not only was the legislation introduced in Governor Lehman's messages of great significance but the political developments of the session itself presage a bitter struggle for the control of the legislature in the coming fall election.

Never a body noted for its calm and deliberative consideration of legislative proposals, the last session revealed the members torn between conflicting emotions and in many instances lacking any public-spirited leadership within their ranks. When the legislature convened in January the Governor was faced with a divided legislature—a Democratic Senate controlled by his own party and a Republican Assembly. Both parties as well were torn by internal dissension. The notorious Dunnigan-McNaboe feud in the Senate and State Chairman Macy's open warfare against the old guard in the Republican party served both to aid and embarrass the Governor. The situation at Albany was further complicated through the election in the preceding November of a Fusion reform administration under the leadership of Mayor F. H. LaGuardia which, while it had broken the grip of Tammany Hall in New York City was dependent on the legislature for the enactment of remedial legislation to enable it to carry out its reform program.

THE GOVERNOR'S PROPOSALS

Governor Lehman's annual message was based in large part on proposals that had been defeated by the legislature during the 1933 session. In his annual message the Governor recommended the complete reorganization of county and town government throughout the state and urged the adoption of a constitutional amendment permitting the legislature to propose alternate new forms of county government and to reorganize the structure of county, town, and village government. The voters of the county were to choose the type of charter under which they would operate. The Governor recommended the creation of a legislative commission to draft these charters. For cities outside of New York City Governor Lehman proposed the appointment of a charter commission on petition of ten per cent of the voters in the city. For New York City itself the Governor recommended the appointment of a charter revision commission of ten or twelve outstanding citizens to be selected by the legislature and their names to be written into the law itself.

Financial difficulties of localities led the Governor to urge legislation to safe-

guard bondholders in case of default and to recommend that the legislature set up a financial agency to approve or veto expenditures of money or the incurring of debt by municipalities.

Housing and slum clearance were also brought to the attention of the legislature and Governor Lehman asked for legislation to permit the creation of municipal housing authorities empowered to clear and replace slums, reconstruct and repair dwellings, and construct new low rental apartments.

The Governor proposed in his annual message that the functions of the milk control board be extended for another year and the alcoholic control board which had been set up in July 1933 be continued until April 30, 1934. Governor Lehman proposed in addition that the legislature study the liquor regulations to the end that a permanent liquor control statute be drafted.

Governor Lehman again placed before the legislature a group of proposals designed to strengthen the election law of the state. Many of these measures had been introduced as far back as Governor Smith's first administration, but the legislature for over ten years had consistently refused to take any action. Among these measures were the abolition of bipartisan boards of election in Nassau, Oneida, Suffolk, Westchester, Niagara, and Monroe counties, the popular initiation of constitutional amendments, a four-year term for the governor with the election to be held in a nonpresidential year and the passage of a new reapportionment act for both congressional and legislative districts.

Proposals relative to the improvement of the conditions of labor introduced by Governor Lehman in his annual message were also reminiscent of the Smith era at Albany. If any further evidence were needed in order to classify the legislature as both reactionary and obstructive it is found in the fact that for over a decade these same proposals of social welfare have been urged by progressive governors and supported by the public only to meet defeat at the hands of a legislative oligarchy. Governor Lehman urged as did his predecessors in office that the legislature prohibit the use of the yellow-dog contract between employers and employees, provide a jury trial for persons accused of violating the injunction in labor disputes, include all occupational diseases under the workmen's compensation law, ratify the federal child labor amendment, provide for regulation by the state of all fee-charging employment agencies, extend the system of free employment offices, adopt a system of unemployment insurance, and extend the emergency period limiting the number of days a week and the hours of labor permitted on public works.

Under the leadership of Governor Roosevelt the legislature in 1931 created the St. Lawrence water power authority to develop the water power resources of the state. Governor Lehman in his annual message in 1934 urged legislation that would permit municipalities to purchase and sell the electric power developed from the St. Lawrence River.

Finally, the Governor once again submitted to the legislature a comprehensive eleven-point program for the regulation of public utilities. Included among his proposals were the following: legislation permitting municipalities to construct or acquire public utility plants and to sell their services outside of the limits of the municipality, empowering the public service commission to order temporary rate decreases, authorizing the commission to assess a portion of the expenses of investigation and revaluation against a utility company, authorizing the commission to charge fees for the filing of applications and other services, limiting the charges

made by holding companies against operating companies to the actual cost of the services rendered, authorizing the commission to strike out of the operating expenses of a company all unjustifiable charges imposed on it by a holding company, prohibiting the payment of moneys by operating companies to holding companies for securities and services without the approval of the commission, prohibiting a utility company from charging to its operating expenses the cost of marketing securities of a holding company, decreasing the amount of stock of another company which a holding company may have without the approval of the commission, clarifying the public service commission law so as to place gas transmission lines under the jurisdiction of the commission, and providing for the public letting of contracts in excess of twenty-five thousand dollars.

In submitting the executive budget to the legislature on January 15 Governor Lehman proposed that the legislature discontinue the one per cent retail sales tax after June 30, 1934. The Governor recommended in addition that normal exemptions on the one per cent gross tax on personal incomes for the current year be allowed and that the gross tax be discontinued after June 30. He urged also that the emergency one cent tax on gasoline be continued in addition to the regular tax of two cents per gallon and that an emergency tax be placed on all stock transfers. The tax was to be three cents a share up to twenty dollars and four cents a share in excess of that amount. In order to bring the budget into balance the Governor proposed drastic salary cuts of from 6 to 33 1-3 per cent to affect all state employees earning over two thousand dollars a year. It is interesting to note that the estimated expenditures for 1934-35 were placed at $249,984,431, as against 1933-34 appropriations of $213,932,657, or an increase of $36,051,774. Despite the administrative reorganization of the state government which was the outstanding achievement of the Smith administrations there has been a steady increase in the cost of the state government over the last decade.[1]

RECOMMENDATIONS ACCEPTED

Considered from the point of view of the number of proposals made by the Governor in his annual message that were adopted by the legislature Governor Lehman, in comparison with the governors who served during the last twenty-five years, had average success. Of a total of thirty-five recommendations made thirteen were adopted in full and two in part or 42.9 per cent adopted in all by the legislature. Faced with the hazards of the legislative committee system the Governor's leadership in the majority of instances was no more successful than that of his predecessors. Considered from the standpoint of importance, however, the enactment of ten out of eleven of the Governor's public utility proposals marked a signal victory for the executive over a hostile legislature. His only public utility recommendation to be defeated was that calling for the public letting of contracts in excess of twenty-five thousand dollars, and that was beaten on the defeat of a motion to discharge the assembly committee from further consideration of the measure, which was made in the closing hours of the legislature after its passage in the senate. The enactment of his utility program, however, including the authorizing of municipalities to own and operate public utility plants, marks the beginning of the end of the

[1] In 1922 the legislature appropriated $149,363,752 (Comptroller's Report, 1923, p. 17). Thus there has been an increase of over $100,000,000 in the cost of government in a little over a decade.

age old struggle to break the private utility monopoly in the state. That Governor Lehman succeeded where his predecessors failed is due in some measure to circumstances. First, the Republican state chairman, Kingsland Macy, long a foe of the utility interests, threw the weight of his support to the Governor. And secondly, the publication of certain letters between Senator Thayer (R) and the Associated Gas and Electric Company, through which it was revealed that the senator had been instrumental in blocking for many years the passage of any legislation opposed by the utility company, so aroused the public that the Governor's measures were forced out of committee and then to final passage on a wave of public indignation.[2]

The success of the executive as a leader in financial legislation was again demonstrated in the enactment of the executive budget as presented by the Governor. In addition every tax proposal was adopted by the legislature in accordance with the recommendation of the Governor and the Republican sales tax drive, to which Governor Lehman was opposed, was defeated. On the other hand Governor Lehman's proposal for the centralizing of control over the expenditures of municipalities met with definite opposition in the legislature and the measure was killed in the assembly committee after passage by the senate.

The legislature also enacted in response to the recommendation of the Governor a state housing law which provided for the establishment and operation of municipal housing authorities. It is the hope of the sponsors of this legislation that through this authority will come the eventual elimination of slum areas and the erection of low-cost housing. The legislature continued also the life of the state alcoholic control board until October 1 and enacted as well a permanent liquor control statute, which, among other things, permitted the return of "vertical" drinking at bars and the sale of liquor without food.[3] At the same time the control of milk including the power to fix prices was vested until March 31, 1935, in a special milk division created in the state department of agriculture.

A partial victory for the Governor's program was won in the adoption of the Fearon (R) county reform bill empowering counties outside of New York to create charter commissions and to adopt the charters as drafted by a referendum vote. On the other hand the Desmond (R) bills which more nearly met the Governor's proposals for county reform were both defeated in the Republican assembly after passage in the senate early in the session.

Though Governor Lehman had urged in his annual message that the legislature create a named charter revision commission for New York City it was not until the closing hours of the session that the legislative leaders turned to a consideration of the problem. The last act of the Democratic senate created such a commission headed by former Governor Smith but including the name of Frank J. Prial, a bitter opponent of the Fusion administration in New York City. Whether the majority leader in the senate hoped in this way to prevent the enactment of any charter revision bill for another year or simply to give Tammany Hall the benefit of a representative on the commission can only be conjectured.[4] Having

[2]As a result of the findings of an investigating committee the senate has been summoned in special session in June to consider removal proceedings against Senator Thayer.

[3]Kleinfeld (D) Alcoholic Beverage Control Law, Chap. 3-b, Consolidated Laws of New York.

[4]Mr. Prial was later quoted as denying the need for any revision of the charter declaring that no matter what the form of government was its success depended on the character of the officials in office. New York *Tribune*, April 29, 1934.

passed the bill in this form the senate adjourned leaving the Republican assembly, which had supported the LaGuardia administration, in a position where it must either pass the bill in its present form or stand responsible for the defeat of the charter revision plan. Though Governor Lehman denounced the trickery of his own party leaders he nevertheless urged that the Mayor assent to the passage of the bill as the best that could be gained. In order to prevent further delay Mayor LaGuardia assented and the measure was passed by a unanimous (!) vote in the assembly. A further set-back to county governmental reform within New York City was given during the session when the Democratic leaders, disregarding the Governor's proposal, forced the defeat of a constitutional amendment in the senate which provided for the abolition of county offices.[5]

PROPOSALS REJECTED

A further example of the failure of the legislature to follow the leadership of the Governor is found in the treatment of the economy legislation drafted and introduced by the Fusion administration in New York City but supported by Governor Lehman. An all-time record for successive defeats was achieved when, despite emergency messages received from the Governor, the legislature refused to enact the measure on four separate occasions during the session and finally passed the bills in such form as to be only partially recognizable to the sponsors. The Mayor, however, was given the right to impose new taxes in order to make up budget deficiencies and payless furloughs were imposed on city employees including members of the city school system. A partial step in the direction of eliminating useless offices in both city and county governments was taken as well. The legislature succeeded, however, in saving the county patronage by blocking any thorough-going county reform.

Still another instance of the failure of the Governor's own party leaders to coöperate in the enactment of his program is noteworthy. Early in the session the Governor had appointed Moreland Commissioner Alger to investigate the problem of how to afford relief to the holders of guaranteed mortgage certificates throughout the state. The Desmond bill which was based on the recommendations of the commissioner was later introduced and its passage urged by Governor Lehman in a special message to the legislature. The Democratic leaders in the senate on three successive days following the receipt of the message caused the defeat of the motion to pass the measure. During the last-minute rush of bills before adjournment, a bill, ostensibly amending the insurance law but actually proposing a mortgage relief plan which was favored by certain title and mortgage companies, was quietly introduced by Senator D. T. O'Brien (D) and passed by both houses.[6]

Governor Lehman's election law reform program again failed of effective consideration by the legislature. The Democratic senate, for example, killed several proposals which had first passed the Republican assembly, among them a bill providing a two-year term for assemblymen, a measure reducing the pay of primary election inspectors to six dollars a day, and a bill eliminating primary elections where there are no contests. On the other hand, dishonors

[5]This will mean a delay of two years before the amendment can finally be acted upon, unless the legislature adopts the proposal in a special session which has been called. Two separately elected senates must adopt the proposed amendment before it is submitted to the people for ratification under the state constitution.

[6]The O'Brien bill, however, was later vetoed by Governor Lehman.

were evened when the Republican assembly committees defeated the four-year term for the Governor and the measures providing for congressional and legislative reapportionment following their enactment by the senate. It should be noted as well that the proposed constitutional amendment, providing for the popular initiative of amendments to the state constitution, was defeated by Democratic votes in the senate. The assembly bill died in committee.

Nor did the Governor's program of social and economic reform in the interest of labor fare better at the hands of the legislature. The senate defeated the Governor's proposal for the establishment of state employment agencies and the Republican assembly defeated the Governor's anti-injunction bill, a measure prohibiting the use of the yellow-dog contract, a bill extending the payment of workmen's compensation insurance for disability or death resulting from occupational diseases, and a measure providing for state regulation of all fee-charging employment agencies. These latter measures had been passed previously by the senate.

From the foregoing analysis it is at once obvious that the Governor enjoyed only partial success in gaining the enactment of his proposals into law. In fact, from the standpoint of the Governor's program the enactment of laws regulating public utilities was the outstanding achievement of the session. Certain factors, however, should be noted in their relation to the failure of the legislature to give more effective consideration to the Governor's statewide program. In the first place, the New York City situation presented a problem which, because of its possibilities for drama, stole the spotlight at Albany. Affecting as it did the political futures of leaders and members alike, it soon became the football of politics. And what had begun, with the reading of Governor Lehman's annual message, as a relatively orderly session soon became a legislative scramble in which secret intrigue and a disregard for personal pledges afforded the best chance for political survival. Into this legislative rough-and-tumble the Governor refused to descend. Secondly, the support given by the Republican legislators to the Fusion administration in New York City was not extended in any way to the Governor's proposals either of elective or social reform. It can be said that the Republican party stand on these questions has not changed in the last decade. Today its platform remains essentially conservative despite the growing strength of a young liberal movement within the party. Furthermore, the Democratic leaders in the legislature stand accused of supporting the Governor only when it was considered smart politics to do so.

As has been pointed out the Governor's position as a leader of legislation in New York under the present legislative system is at best a difficult one.[7] To personally force the enactment of his program by a legislature in which under the present procedure the possibilities of obstruction and delay are well-nigh infinite would require among other things almost superhuman ability. At least, however, the Governor's program as embodied in his administration measures should be brought out of committee and into the legislature as a whole where the force of public opinion can be brought into effective play. Until this step is taken we shall continue to have able and sincere governors who, while assuming the titular role of chief director of legislation, are, nevertheless, but forty-five per cent efficient in the results obtained.

[7]See "Legislative Oligarchy Handicaps New York Governors," NATIONAL MUNICIPAL REVIEW, May 1934.

NEWS OF THE MONTH

NOTES AND EVENTS
Edited by H. M. Olmsted

National Housing Act.—As this issue goes to press we learn that the President has signed the national housing bill, providing for a comprehensive program of home financing, mortgage insurance, etc., and a national housing administrator appointed by the President. An article on the subject will appear in an early issue of the REVIEW.

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New York Charter Commission Makes a Good Start.—At its first meeting, on May 25, the New York City Charter Revision Commission made three decisions of major importance:

1. To prepare a charter in time for submission to the voters at the regular election this fall;

2. To make the charter a brief document of fundamental principles;

3. To ask the governor to call the legislature in special session to pass a constitutional amendment permitting or requiring the consolidation of the city's five county governments with the city.

These actions were taken with little opposition at the suggestion of the commission's chairman, Alfred E. Smith. The governor has since promised to accede to the commission's request and call the legislature in special session about July 10. Passage of a constitutional amendment by the special session and again by the regular session next year would permit the amendment to go to the voters in November 1935. Otherwise it could not be voted on by the people until November 1937. The commission has prepared a draft of an amendment that removes the requirement in the constitution that sheriffs, county clerks, and registers shall be elective and empowers the city by local law to abolish sheriffs, registers, and the statutory offices of commissioners of records and public administrators and assign these functions elsewhere; the county clerks and commissioners of jurors are made appointive by the appellate division of the supreme court. District attorneys, now separately elective in the five counties, are left untouched.

The commission organized by the election of Samuel Seabury as vice-chairman and Mrs. Mabel B. Wyeth, president of the Women's National Republican Club, as secretary. The chairman was named in the law. As we go to press the important post of counsel has not been filled, the duties of the position being ably discharged for the time being by Assistant Corporation Counsel Reuben A. Lazarus, who has been assigned by the city government to the commission to assist in its work.

Hearings have been held on the city manager plan, proportional representation, borough government, etc., which have brought out a gratifying unanimity of civic support for the main principles of the seventeen-point program of the Civic Conference of New York City, described in last month's issue. The program is based on a single-house legislative body, proportional representation with borough-wide districts, the city manager plan, and a scheme for meeting the troublesome question of borough autonomy by borough councils and borough offices under central city control.

These principles have been endorsed by the Citizens Union, the Merchants Association, the League of Women Voters, the City Affairs Committee, the Women's City Club, the New

York League of Business and Professional Women, and the City Fusion Party, with the prospect that many other groups will endorse them before this note appears in print. Walter J. Millard, field secretary of the National Municipal League, who has been speaking nightly in a charter educational campaign for the Citizens Union, reports an eager response from all parts of the city.

Since this note was prepared the charter commission has made its first decision of major importance regarding the provisions of the charter. This was a snap vote, without discussion, to have an elective chief executive instead of a city manager.

RICHARD S. CHILDS

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City Manager Developments.—Flint, Michigan, on June 4, defeated an attempt to supplant the city manager plan with a strong mayor charter, by a vote of three to one. It is evident that the manager plan has proved satisfactory to the voters of that city.

Hillside, N. J., on June 12, defeated a proposal to adopt the manager plan by a vote of 2,174 to 1,029.

Petitions calling for a vote on the manager plan have been circulated in Paterson and Passaic, N. J., and similar action is expected in Milburn and Montclair in the same state, where Clifton is now working on a reorganization under its recently adopted city manager charter. In Norwalk, Conn., the charter commission, after eight months of study, voted to prepare a council-manager plan for submission to the voters this fall. It is expected that a referendum on the manager plan will be held in Schenectady, New York, in September.

*

Two New Municipal Leagues Formed.—Arkansas and South Dakota cities have banded together to form two new state leagues of municipalities, according to announcement of the American Municipal Association.

Representatives of Arkansas cities met at Little Rock early this month, to organize the Arkansas Municipal League, electing as president Mayor U. E. Moore of North Little Rock.

The League of South Dakota Municipalities was organized at Huron, on June 12. Mayor W. A. Rothschild of Madison is president of this association of cities, and Dr. G. R. Breckenridge of the University of South Dakota is secretary.

Both of the new leagues will have the cooperation and the use of facilities of their respective state universities.—*News Bulletin,* Public Administration Clearing House.

*

Milwaukee City Club Twenty-five Years Old.—The City Club of Milwaukee, Wisconsin, celebrated its twenty-fifth anniversary at its annual meeting on May 22.

Indicative of the civic activities of the club are the following excerpts from a summary of the work of the year ending in May 1934:

> The committee on county policies has been studying the organization of the government of the county of Milwaukee and possible changes, looking toward an improvement in the form of organization. The preparation of the material is in the hands of a subcommittee.
>
> The committee on public finance organized its work for the year under special topics assigned to subcommittees: state taxes, proration to governmental units; current cash situation of the city of Milwaukee; annual budget and tax levy; tax redemption certificates and allied paper; delinquent taxes; projects for public works to be financed by federal appropriations.
>
> The committee on city planning has devoted much time and effort during the year to the project of having the city adopt a master plan. Toward that end it has prepared a report, "The Value to Milwaukee of a Comprehensive City Plan," and has interviewed and conferred with city and county officials.
>
> A study of the consolidation of local governments and functions in Milwaukee County is under way, conducted by an official committee appointed by the president of the common council and the chairman of the county board, "The Joint Committee on Consolidated in Milwaukee County."

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The Movement Towards State Planning.—The purposes and extent of the present activity as to state and national planning are set forth in a statement in the March-April *Planning News and Notes* of the Massachusetts Federation of Planning Boards:

> Reacting towards the move for state and national planning, thirty-seven states have taken temporary action and a number of them have established a permanent set-up. To get the work started the National Planning Board has assigned planners to act in an advisory capacity in the early stages.
>
> A statement of the purposes of the Los Angeles County Planning Commission, the oldest of this form, gives a good clue as to the purposes of such a movement. These

purposes are in many ways identical with the needs of all the states and with the country as a whole. Among these purposes are to study the problems of the county as they affect traffic conditions, parks and parkways, residential and industrial districts, flood control, subdivision regulations, and all related matters as they may affect the orderly growth and development of the region as one large commonwealth. Based on its studies, the board is to make definite recommendations to the county legislative body for the solution of problems as they arise or may be anticipated, and advise with this body and with other officials with a view to efficiency in all lines and to the coordination of all activities. A further provision is that the board shall seek to interest municipalities and other political subdivisions in a joint effort to understand and solve the problems of development common to the units involved.

Basic in this field of work is the need of budgeting and scheduling activities. Owing to an unbalanced method some types of activity are pushed unduly while others are retarded to the great detriment of the region.

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Voting Activity and Costs.—The Civic Research Institute of Kansas City, Missouri, recently took occasion to compile statistics on the percentage of votes cast to the adult population of twenty-two cities, making the 1932 presidential election the basis, as an election that aroused great interest. The results are presented in the May 31 issue of the Institute's *Public Affairs*.

The vote cast is as secured by the Institute from the election authorities in the cities. Every large city which gave information on the vote cast is included. The cities are arranged according to the percentage which the vote cast is of the population.

Population over 21* in 1930 and Vote Cast for President, 1932, in Large Cities

	Population over 21*	Vote Cast	Percentage Vote Cast of Population
Kansas City (city election 1934)	274,223	223,015	81
Kansas City	274,223	220,092	80
Jersey City	171,908	126,440	74
Denver	189,321	139,373	74
Chicago	1,944,454	1,423,074	73
Rochester	192,334	138,930	72
Providence	135,505	97,222	72
Oakland (county)	297,052	204,225	69
Los Angeles	824,037	548,232	67
Minneapolis	293,210	196,977	67
Boston	412,483	270,149	65
Buffalo	328,530	215,555	65
St. Louis	536,483	349,870	65
Seattle	233,110	147,311	63
Milwaukee	338,311	209,983	62
Detroit	801,256	453,820	57
Newark	227,262	127,939	56
Cleveland	473,557	257,122	54
San Francisco	419,648	227,283	54
Columbus	191,168	98,107	51
Pittsburgh	385,402	161,239	41
Toledo	180,590	96,785	54
Philadelphia	1,153,845	615,536	54

*Not including aliens or persons with first papers only.

In the May 24 issue of *Public Affairs* were also presented the following as the latest available comparable costs of elections and registrations in cities of 300,000 population and over, based on the Bureau of the Census report on "Financial Statistics of Cities" for 1930:

	Total	Per Capita
New York	$1,979,527	$.28
Chicago	2,300,479	.68
Philadelphia	1,392,111	.71
Detroit	420,538	.27
Los Angeles	262,731	.21
Cleveland	324,597	.36
St. Louis	114,460	.14
Baltimore	416,194	.52
Boston	315,391	.40
Pittsburgh	415,044	.62
San Francisco	251,694	.40
Milwaukee	143,466	.25
Buffalo	196,009	.34
Minneapolis	104,378	.22
New Orleans	48,514	.10
Cincinnati	286,972	.63
Newark	371,539	.84
Kansas City	363,310	.89
Seattle	176,246	.48
Indianapolis	95,604	.26
Rochester	166,747	.51
Jersey City	451,843	1.42
Louisville	66,290	.22
Portland	114,123	.38

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Public Administration Service Expands.—Public Administration Service, joint agency of ten national associations of public officials organized to improve administrative standards of government, has announced entrance of two additional organizations into its group.

The American Society of Municipal Engineers, formed in 1894, and the International Association of Public Works Officials, formed in 1919, are the two new organizations.

A nation-wide congress of public works and engineering officials is announced by Public Administration Service as the first joint project of the two groups. This will take place in Rochester, N. Y., September 24-28.

Pressing problems faced by public works officials today will be discussed at the con-

ference. A review of the efficiencies and deficiencies of CWA and of the present federal relief work program as related to cities will be a major subject of the congress.

Reflecting the changing scope of duties of the public works engineer, whose job at present is not so much technical designing as it is managing new public works services to cities, such as slum clearance, planning and work relief programs, the group will also discuss principles of public works management. Under this heading will come the organization of public works departments, public works budget and cost controls, and selection and training of people for the jobs.—*News Bulletin,* Public Administration Clearing House.

*

League of Minnesota Municipalities Issues Accounting Manuals.—The Committee on Accounting and Reporting of the League of Minnesota Municipalities, with Harold F. Goodrich, city comptroller of St. Paul, as chairman, and Fred W. Wilson, chief accountant of St. Paul, as vice-chairman, has worked during the past year on accounting methods and procedures in the smaller municipalities of the state. With the assistance of Carl H. Chatters, executive director of the Municipal Finance Officers' Association, Chicago, they have prepared two accounting systems that they think will be applicable to smaller municipalities in Minnesota. The first of these manuals is *Cash Basis Accounting for Small Cities and Villages of Minnesota.* The other manual is *A Uniform Accounting System on a Double Entry Basis for Cities and Villages with a Population Between 3,000 and 10,000.* This material is prepared and adopted as a tentative plan for a year's trial.

AMBROSE FULLER, *Director*
League of Minnesota Municipalities

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Oregon — County Consolidation. — The question of the consolidation of Oregon counties has been raised recently by the publication in the *Commonwealth Review* (issues of January and March 1934) of articles by Professors W. D. Smith and Alfred Lomax, specialists in geography and business administration, respectively, of the University of Oregon staff. These articles have been reprinted in whole or in part by some of the papers, including the Portland press. In the introductory article Professor Smith analyzes the natural regions into which the state is divided and suggests that both for reasons of topography and natural resources, the present system of thirty-six counties should be displaced by governments more nearly coincident with the seven physiographic regions into which the state has been divided by nature. He analyzes the soil, climate, and other natural resources contained in each area and suggests the relationship of these factors to the social homogeneity of the areas. Professor Lomax continues the analysis by examining the resources, commerce, transportation, fishing, and agricultural activities of the eleven counties now included in the coastal region. Only three of the eleven counties would need to be partitioned if the area between the coast mountains and the Pacific were united into one regional government. The third article on this subject is promised for an early issue of the *Commonwealth Review.*

County Finance.—The state primary election of May 18 presented to the voters one referendum measure of vital bearing on county finance. This was a proposal to amend the constitution so that counties might refund their floating warrant debt by issuing serial bonds not exceeding twenty years in duration. The measure also stipulated that the counties must levy a special tax each year to provide for the payment of interest and principal after all delinquent tax money had been used for this purpose. This conversion would be made only after a county referendum, in which two-thirds of the voters participating sanctioned it.

The reason urged for this measure was the need to restore counties to a cash basis so that employees would not have to take heavy discounts on their warrants, and the county could purchase supplies without the heavy increase in price required by the warrant method of payment. This condition in county finance is chiefly due to the delinquent tax situation, delinquency running to over 70 per cent in some counties. However, the measure was defeated. This may have been due in part to the knowledge that part of the floating debt was created by bad business methods which antedated the present tax crisis. At different

times in the past twenty years similar requests for issuing bonds to cover warrant debt have been made, and six counties have been given permission to clean up on their warrant debt in this doubtful manner.

There is another matter of county finance that will bear watching. This year for the first time the taxpayers in Oregon have been allowed a three per cent discount for paying their taxes in full on the date when the first quarterly installment falls due, March 15. A considerable number of payments in full were made. Although counties must remit to the state its share of the property levy, they need not send the second half until the autumn. Many counties have thus distributed to the local spending agencies that part of the full payment which ought to have been earmarked for the second payment to the state.

This is likely to cause serious difficulty in meeting the state obligation when the second payment falls due.

Higher County Levies.—The state treasurer has recently released a statement indicating that the tax levies for 1934 for local purposes, other than city and school district, are distinctly higher than for 1933. The total levy for these purposes, averaged by counties, was 19.03 mills for 1934 as compared with 16.67 for 1933. In sixteen of the thirty-six counties the levy ran from 20.67 to 27.10 mills. The largest single item in the increase is the levy for county general fund which jumped from 4.61 to 6.14. The chief explanation for the increase is the tax delinquency situation, which requires higher rates from those who do pay their taxes, in order to scrape along.

CHARLES MCKINLEY
Reed College

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New Jersey—State Control of County and Municipal Expenditures Proposed.—The present session of the New Jersey legislature has under consideration a measure which will, if adopted, result in state control of county and municipal expenditures. Senate bill No. 214 purposes "to bring about a reduction in future general property tax levies by limiting the amount which may be lawfully appropriated for current expenses by any local government (including counties) and thus to insure that any new revenues which may be provided by new forms of taxation shall actually reduce the amount raised by general taxation and shall not increase funds available for expenditure." A mandatory reduction of 25 per cent of the 1930 budget as a base figure is the method proposed. Exceptions to the rule will be granted at the discretion of the commissioner of local finance (Walter R. Darby) and the practical effect will be to make the commissioner a czar of local government, since control of the purse gives practical control of the functions of government.

Passage of this bill seems improbable during the present session due to the political campaigns involving the sales and income tax proposals which are by implication tied up with this bill. However, it seems reasonably certain that some similar measure will be enacted within a year.

County Manager Bill.—A county manager bill has passed on second reading in the senate and is slated for enactment before the close of the session. The county manager plan, however, is largely an academic question in New Jersey as no influential movement looking toward its adoption has been launched in any of the twenty-one counties of the state. The New Jersey Taxpayers Association is backing the bill and its passage might encourage and instigate an organized movement for this reform in one or more counties.

Financial Measures.—Financial measures enacted by the present legislature to aid counties include: (1) an act permitting counties to stagger the deficits of preceding years in their budgets, provided at least one-fifth of the total deficit be included; (2) an act providing facilities for refunding debts at a lower interest rate or postponing amortization where the bondholders accept the proposal; (3) acts enabling counties to borrow federal money for the construction of toll bridges and to maintain county parks developed with federal aid.

C. R. ERDMAN, JR.
Princeton University

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Georgia — Commissioners Memorialize Legislature to Aid Counties.—The April session of the Institute of Public Affairs of the University of Georgia, Athens, was given over entirely to the executive committee and members of the Georgia County Commissioners Association under the direction of Tate Wright, secretary of the association. Professor Paul W. Wager was the only speaker who was not a Georgia state or county official.

Plans looking toward a revision of the tax system and the readjustment of state and local functions were discussed.

The County Commissioners Association and the County and Peace Officers Association which met in Macon and Columbus, respectively, the third week in May, spent most of the time discussing the problems raised at the Georgia Institute. The central theme of all three meetings was the terrific increase in local tax rates in Georgia brought about by shifting state responsibilities and functions to the locality.

Those participating in round table discussions at all three meetings were unanimous in demanding that the state either completely finance roads, schools, and health services or allocate funds back to the county to cover the cost. Counties now spend twice as much as the state for these three functions although the county has to rely almost entirely upon the general property tax for revenue. The Macon and Columbus meetings memorialized the general assembly to adopt other forms of taxation and allocate sufficient funds back to the counties and subdivisions to finance the three functions mentioned above. Classification of property with varying rates on intangibles, the general sales tax, extension of income tax and a combination of all these were suggested, but no definite proposals were recommended. The press of the state has responded favorably to the program above and there has been some favorable expression of opinion from candidates for the general assembly.

Public Debt.—County officials are concerned about Georgia's indebtedness. State officials boast of the low bonded indebtedness of the state, $4,500,000. However, up to 1932 the counties had bonded themselves to the extent of $25,700,000 to build roads on the strength of a promise by the state to repay them out of the gas tax "after the state road mileage is completed." After fifteen years that joker was finally removed by the 1931 legislature, which agreed to repay the "principal only" starting in 1936. Add to the two figures above a county indebtedness of $25,600,000, mostly for school purposes, and the total reaches $55,800,000. The indebtedness of all governmental units including cities is around $87,000,000.

J. Thomas Askew
University of Georgia

North Carolina—Property Tax Relief.—In four years property taxes in North Carolina, outside of cities, have decreased about 60 per cent. In 1929 the combined levies of the counties and school districts amounted to $45,711,000. This sum was levied on a valuation of $2,971,000,000, thus the average rate was 1.54 per cent (15.4 mills).

Two years later, after the state had assumed the maintenance of all roads and an increased share of the school burden, the corresponding levies were $33,221.000. The assessed value of property was $2,830,000,000, hence the average rate was 11.7 mills.

Two years later (1933-34), after the state had assumed the entire cost of operating the public schools for a term of eight months, the tax burden on property was still less. County tax levies, including county-wide levies for school debt and capital outlays, totaled only $18,360,885. This sum does not include debt service levies of school districts smaller than a county nor small supplementary levies in seven districts which voted a special tax. These district levies possibly aggregate a million and a half dollars, but are borne mainly by urban property. Since the state imposes no property tax most rural property is subject to no tax except the county-wide levy. Despite the fact that the assessed value of property had shrunk to $2,089,000,000, the average county tax rate in 1933 was only 8.8 mills. In 53 counties the rate was 10 mills or less, in 28 counties between 10.1 and 15.0 mills, and in 19 counties above 15.0 mills. The lowest rate was 3.6 mills and the highest, 22.3 mills. The total amount paid by the state for the operation of the schools was $15,967,976. Had it been necessary to raise this additional amount from a tax on property the average rate would have been 16.4 mills.

Paul W. Wager
University of North Carolina

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California—Township Consolidation in Los Angeles County.—Los Angeles County has just taken its first step toward sweeping changes in its local government, looking toward a saving in township government costs and elimination of duplication of functions. On May 18 the board of supervisors voted to consolidate forty-six townships into twenty-

four, thus eliminating twenty-two such districts and a like number of justices of the peace.

The ordinance will become effective January 1 of next year. According to officials of the County Bureau of Efficiency, who have been working on the consolidation plan for some time, an annual saving of $100,000 to taxpayers is anticipated.

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Indiana—First Steps Toward Local Reform.— As a result of current economic conditions, there is gradually developing among the citizens of Indiana a widespread and vigorous interest in the problem of reforming local government. While numerous civic organizations and a substantial section of the press are becoming more and more insistent in their demands for reform, the most significant evidence of the growing sentiment in favor of change is to be found in certain enactments of the general assembly in its last two sessions.

By an act of the special session of 1932, all township roads in the state were transferred to the respective counties to be maintained as a part of the county highway system. Thus was taken from the Indiana township one of its three chief functions, leaving to that unit of local government only the administration of outdoor poor relief and the management of the township schools.

In the regular session of 1933 another act was passed which abolished the elective office of township assessor in all townships having a population of five thousand or less, transferring the duties of assessor in such townships to the township trustee, to be performed by that official without any addition to his compensation. This act, while it will in no way mitigate the evils inherent in the use of small areas as assessment districts, will reduce by one the number of elective officials in 924 of the state's 1,016 townships and may, perhaps, result in a small saving in the cost of assessment.

Another step of a distinctly forward character was taken in the enactment in 1933 of two statutes which placed prosecuting attorneys and most county officials on a straight salary basis. This act went a long way toward eliminating the fee system which, with its recognized evils, had long been widely prevalent in this state.

Although these various statutes are, to be sure, but small beginnings, they are significant as indicating that the demand for economy and efficiency in local government has progressed to such a point that the general assembly has seen fit to take definite, though as yet minor, steps toward reform. Especially in the matter of township government is the trend significant. In view of the political power of the township trustees and the inherent conservatism of the people, it will doubtless be impossible to bring about the abolition of the township in the near future. But it seems quite possible that the recent statutes with respect to township roads and township assessors may mark the inauguration of a policy of gradually reducing the number of township functions and officials, which policy, if consistently pursued, will result in the emasculation of the township to a point where it will be rendered innocuous or where, perhaps, the opponents of change may ultimately be forced to acquiesce in its abolition.

It should also be mentioned that the Indiana State Committee on Governmental Economy, recently appointed by the governor under legislative authorization, is studying the county and township, as well as other units of government, for the purpose of making recommendations to the governor and the general assembly.

CLYDE F. SNIDER
Indiana University

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Tennessee — Financial Irregularities of Counties Presage Governmental Reform.— A check-up by state auditors has revealed shortages in the accounts of 87 out of 129 Tennessee county officials examined since January 1, according to an article in the *Memphis Commercial Appeal* of June 19, by Hilton Butler, staff correspondent. The shortages are stated to amount to $204,752, with $150,000 of the total in East Tennessee. Some of the shortages were of small amounts, readily made good by the responsible officers or their bondsmen, and not attributed to anything but carelessness or simple ignorance about the handling of public funds. Other discrepancies are of more serious character.

The revelations will, no doubt, result in improvements in county legislation, particularly as to bonding requirements and the present ninety-day period of grace. It is to be hoped that a more comprehensive form of county reorganization will also be evolved.

H. M. OLMSTED

TAXATION AND GOVERNMENT

Edited by Wade S. Smith

Dallas Forecasts Probable Financial Needs and Revenues.—An interesting financial analysis has been prepared by City Manager John N. Edy and Assistant Director of Finance Stuart Bailey, of Dallas, Texas, for the guidance of the city council in formulating its financial policy for 1934-35 and subsequent years. This administration inherited nearly three million dollars in overdrafts, either as funded debt or as debt which had to be funded, when the manager plan went into effect in 1931. So far it has been able to keep on a cash basis, ending the fiscal year 1931-32 with a balance of $200,777, and the year 1932-33 with a balance of $166,931. During the first half of the current year tax receipts have been $124,018 in excess of estimates, and expenditures $226,551 less than estimated. The administration has based its expenditure program on an anticipated collection of 85 per cent of the tax levy.

The study reviews the tax history of Dallas since 1900, showing that in the period per capita costs increased from $9.31 to a peak of $27.00 in 1930, falling to $26.65 in 1933. The 1900 tax rate was $1.65, that for 1930 and 1933, $2.43. But in 1930 the ratio of assessed valuation to so-called true valuation was 45 per cent, while in 1933 the council reduced the "true" valuation by 15 per cent, thus making the effective ratio for the fiscal year 1933-34 actually 40.25 per cent. It is this reduction in the tax base, without corresponding and compensating increase in the tax rate, which called forth the analysis.

Naturally the reduction in valuation has inevitably been reflected in the amounts available for general fund expenditures. Of the per capita levy in 1900 the general fund received $3.39, while $3.67 went for debt service. In 1920 the general fund received $13.90, and debt service took $3.72. In 1930 the general fund received $10.92, debt service $6.36. But in 1933 the general fund received only $6.86, while debt service took $7.63. The report points out that the shrinkage in the general fund is largely caused by the fact that, though the city has consistently followed a bonding program formulated in 1927 by the Ulrickson committee, it has at no time followed the same committee's plan for financing the bonds issued, with the result that the financing has been done by successively cutting into the general fund.

To demonstrate the results of following the present policy, a "reasonable and minimum" financial program for the next five years is outlined. Debt service on bonds already authorized, debt service on a minimum capital outlay program, incidental expenditures of an extraordinary nature falling within the next few years, and minimum operating costs (including those for necessary replacements and maintenance), are set up. It is also proposed to restore salaries and wages to their pre-cut level, this being deemed advisable to bring salaries into line with the prevailing private schedules and as in keeping with the national recovery program.

Comparing the financial requirements of this program with the probable revenues resulting from a continuation of the present policy in regard to tax rate and ratio of assessments to true valuations, it is shown that "deficits" would be incurred over the period as follows: 1934-35, $846,595; 1935-36, $932,492; 1936-37, $934,277; 1937-38, $809,543; and 1938-39, $718,143.

Increase in the tax rate by adding 7 cents to that for the general fund would increase that fund approximately $150,000, on the present basis of assessment. By restoring one half of the 15 per cent assessment cut of 1933, the general fund would be increased $211,000. Assessing on the basis of 50 per cent of true valuation would increase the general fund by $356,000, while assessing on a 55 per cent basis would increase it by $712,000. New revenues, from charges for garbage collection and sewerage service, purchase of gasoline outside the state to avoid payment of state tax, a filling station benefit tax on sidewalks, and taxicab licenses, would total a minimum of $479,500, and by doubling the garbage collection charge, $200,000 more. These additional revenues are not specifically recommended, but are cited as possible sources for overcoming the "deficits." In this connection the survey says:

> The foregoing does not lead us necessarily to the conclusion that additional funds as represented by the "deficits" must be provided. Rather, the conclusion is that unless additional funds are available approximately as shown, it will not be possible to finance the [proposed] capital expenditures and the extraordinary expenses listed; and it will not be possible to finance, on a safe

and reasonable basis, the operating needs of the municipal service.

The study presents graphically some of the difficulties encountered in giving taxpayers "relief" by reducing assessed valuations, though it is not typical in that the city of Dallas is operating on a cash basis, with comfortable surpluses, and unimpaired credit standing. But when literally hundreds of American municipalities are struggling with financial problems of an immediate nature, it is significant to note that a "sound" city finds it advisable to count its pennies well into the future. The conclusion is unescapable that really business-like administration doesn't wait for crises to develop; it foresees them and is prepared.

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Newark Arranges Financial Relief.—Tax anticipation and tax revenue notes totaling $9,050,000 have been sold by the city of Newark, New Jersey, as the first steps under a financial program arranged by Norman S. Taber & Company, New York, financial advisers to the city, which will secure financing for the requirements of the city for the rest of 1934 totaling $24,000,000. With the proceeds of the sale the city will pay off 1933 taxes owed to Essex County and the state netting about $5,500,000. Another $2,600,000 will be used to liquidate notes held by New York banks, leaving about $950,000 which, added to current tax collections and collections from arrears, will enable the city to meet its payrolls and other current expenses. The interest rate on the tax anticipation notes will be 4 per cent, the lowest the city has obtained in more than two years.

By the arrangement undertaken between the board of commissioners and Norman S. Taber & Company late in May, the city virtually places itself, so far as its finances go, in its advisers' hands. The city undertakes to hold a sale for 1933 delinquent taxes on or before December, 1934; agrees to pay no 1934 state or county taxes until some $7,000,000 in planned new loans maturing in November have been paid; must set up a special fund into which current and back taxes will be paid until the $7,000,000 has been assured; and agrees to undertake no other borrowing during 1934 except as laid out in the financial program of the advisers.

It will be recalled that Newark, in company with many other New Jersey municipalities, has had the major portion of its financial difficulties caused partly by poor tax collection procedure which encouraged high delinquency, and partly by budget practice which encouraged cities to borrow in anticipation of taxes without regard to the extent of delinquency. Early in the year the city was unable to meet the requirements of a banking syndicate which proposed a revolving fund contingent upon certain fiscal reforms, the chief of which were denied by the state legislature in refusing enabling law. The tax rate for 1934 is $3.65, 28 cents more than in 1933.

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Municipal Bond Offerings Increase.—Offerings of state and municipal bonds, excluding short term notes, as of the month ending the first week in June, totaled $64,317,754, the largest monthly offering since June, 1931, according to figures compiled by *The Bond Buyer,* New York. Offerings a year ago were $43,877,215, and in 1932, $65,839,075. The corresponding total for 1931 was $105,482,112, the largest offering in any month that year. The weekly average for 1934 as of June 9 was $18,159,172.

The Bond Buyer's index of municipal bond values (the result of averaging the market value—as expressed in "basis"—of bonds of twenty large cities on the first of each month) was as of June 1 4.17 per cent, as compared with 4.27 per cent a month earlier, 4.56 per cent two months earlier, 5.35 per cent a year ago, and 4.26 ten years ago. The high for the period 1910-1933 was reached in June 1931 when the index price was 3.74 per cent, and the low was reached in May 1933 when the index price was 5.69 per cent. It is to be noted that the lower the "value" as expressed in the basis, the higher the price.

The increase in bond offerings, as well as the improvement in bond prices, indicates quite definitely a continuation of the improvement in the financial standing of the majority of American cities. Economic improvement has of course been partly responsible, as have improved tax collections and the progress made in refunding and other rehabilitation programs on the part of formerly distressed municipalities.

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Massachusetts' Policy Secures Good Tax Collectors.—Speaking recently before the Chamber of Commerce of the United States at Washington, Commissioner of Corpora-

tions and Taxation Henry F. Long of Massachusetts told how, by bonding tax collection officials, the state secures satisfactory tax collections. He said in part:

> The law requires that the bond each collector files shall be in an amount determined by the Commissioner of Corporations and Taxation. We determine the size of that bond on the basis of the levies of the three preceding years plus the experience of that particular community in tax collections. That bond runs to two things, first, the faithful performance of his duty as a collector, and second, the collector's honesty in turning over the taxes.
>
> A good many of our communities have had collectors who have not been faithful in the performance of their duties. There has been successful suit on bonds for recovery where the collector has not exercised the full statutory remedies given and proceeded to collect. Since the introduction of our surety company bond and the care which the bonding companies take to ensure local taxes being collected, we have got rid of a substantial number of people who were not by nature good tax collectors.
>
> Each of the 355 deputy collectors of taxes also has to be approved by our office before his appointment takes effect. These deputy collectors also furnish a bond from a surety company. The policy of having these deputies approved by our office has developed something of a professional ability to collect taxes and to approach the taxpayer without putting him in jail, but convincing him that he should pay his taxes.

Massachusetts law has, since 1642, permitted the jailing of any person for nonpayment of taxes. The power has been judiciously used, with the result that probably no state stands higher today in the percentage of current collections secured on time.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

P. R. Before the New York City Charter Commission.— One of the eleven committees set up by the New York Charter Revision Commission is a committee on proportional representation. Alfred E. Smith, the commission's chairman, has appointed Norman Thomas, Socialist candidate for president in 1928 and 1932, chairman; Mrs. Alice Campbell Good, Democrat; and George Brokaw Compton, Republican.

At the first public hearing of the committee, on June 14, Mr. Thomas definitely forecast a recommendation that a P. R. plan be submitted to the voters in the fall. Only one person appeared in opposition to P. R., while representatives of the Citizens Union, the Merchants Association, the City Affairs Committee, the League of Women Voters, the Women's City Club, and the Socialist Party, and David L. Klein, Republican member of the Board of Aldermen, apeared in its favor, all urging the Hare system used wherever the principle is in effect in English-speaking countries. Robert Minor for the Communists opposed the Hare system and favored a P. R. system with party lists.

George H. Hallett, Jr., and Walter J. Millard were called first to describe the various possible applications of P. R. and its effects in Cincinnati, followed by Rabbi Stephen S. Wise.

Though neither of the major parties was officially represented at the hearing, P. R. is one of the four immediate objectives of a citizens' committee to aid in the rehabilitation of the Republican Party in New York County, organized this spring under the leadership of the new Republican county chairman, Chase Mellon, Jr. P. R. has also been unanimously endorsed by the charter committee of the City Fusion Party, organized to assist in the successful fusion movement last fall.

Toledo Launches a New Kind of Campaign.—A citizens' charter committee has been formed in Toledo to secure a new city charter patterned after the successful charter of Cincinnati. The charter has been drafted and circulation of petitions is under way. With the present city government spending 80 per cent of the year's revenues during the first six months, prospects for the adoption of the new charter this fall are considered very good.

The charter provides for a council of nine elected by the Hare system of P. R. from the city at large on a nonpartisan ballot. The council would choose a city manager, a mayor (president of council), a vice-mayor, and an auditor. The salary of councilmen is fixed at $3,600. The charter would take effect January 1, 1936, except for certain preliminaries such as the election of the council by P. R. in the fall of 1935.

The most unique feature of the campaign is the part being taken by the graduating class at the University of Toledo with the assistance

of their political science professor, Dr. O. Garfield Jones. The *Campus Collegian,* student publication of the University, explains the situation:

> Lacking funds with which to dedicate a more tangible gift to the University of the future, the present senior class votes instead to contribute its organized support to the city manager campaign in Toledo. . .
>
> But the memorial will not be one "left behind." The city manager issue is yet an issue of the future. The present class and alumni must move forward to meet that issue. Having met it well, they will have made the best and most enduring contribution—service given where needed most—to their community.

The *Toledo Blade* of May 30 quotes this editorial with approval and adds: "All of the world's great men are famous, not for gifts of substance, but for service and achievement. So it may be in the future with college graduates. The University of Toledo class of '34 establishes a splendid precedent in dedicating a memorial of service to the city." And the *Toledo News-Bee* of May 28th: "This sort of a human, living gift of itself to practical community service by a college class is an encouraging sign of the times. It indicates a new alertness to the place of the college man in the social and political life of his community."

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Action in Boston Postponed.—The Boston charter commission's proposals to make P. R. optional for Boston by petition and popular vote, described by Herman C. Loeffler, secretary of the Boston Municipal Research Bureau, in the P. R. department of this *Review* for March, have been earmarked "next annual session" by the cities committee of the Massachusetts legislature. This action is considered somewhat more favorable than "no legislation necessary" or "leave to withdraw." Since the optional P. R. proposals would not have gone into effect until 1936 no time has been lost by this year's action.

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The Proportional Representation Society of Great Britain, 82 Victoria Street, London, S. W. 1, publishes an authoritative and informing annual report on the significant developments in the P. R. field in different parts of the world. The following excerpts are taken from the most recent report, published in May of this year under the title "The Safeguard for Parliamentary Government: Constitutional Reform."

Reform Proposals in Parliament.—The need for constitutional reform has been voiced during the past year by private members in both Houses of Parliament. Lord Salisbury, on 19th December, 1933, moved the first reading of a bill for the reform of the House of Lords, a bill prepared by a committee consisting, for the most part, of Conservative members of both Houses of Parliament. The Proportional Representation Society notes with satisfaction that the bill provides for the use of the single transferable vote form of proportional representation in the election of representative Peers.

In presenting the bill Lord Salisbury laid stress on the principle upon which he held the bill to be founded, that "the final, ultimate, conclusive authority in this country is the people." This principle is the key to all constitutional reform, and Mr. Holdsworth, M. P., in a parliamentary motion on electoral reform which he moved on 6th December, 1933, made it the foundation of his case in demanding a reform of the House of Commons, quoting with effect the words of the Prime Minister—"It is only in so far as this House really represents popular opinion that it is going to retain its authority."

Mr. Holdsworth's motion was in the following terms:—

> "That, in order to ensure in future Parliaments a greater correspondence between the strength of opinion in the country and representation in the House of Commons, it is desirable to reform the present system of parliamentary elections."

The motion was well debated. The serious nature of the arguments presented in support of proportional representation was recognised during the discussion, but the Government preferred for the time to keep the question open and the motion was, in parliamentary language, "talked out," that is, the discussion ended without a vote on the motion being taken.

Northern Ireland.—During the year, in June 1933, one-half the Senate of Northern Ireland was elected, and for this election the system of proportional representation was used. The Unionist majority obtained its due share of the seats, but in addition there were elected two representatives of the Nationalist minority and one Independent. Were this

system used in Great Britain in the election of aldermen, the majorities in county and municipal councils would no longer be able to deprive minorities of their share of the aldermanic seats.

Proportional representation was also used in the election of the University members to sit in the House of Commons of Northern Ireland. In this election, an Independent Unionist secured one of the four places, a result again made possible by the use of the proportional system.

Irish Free State.—There appeared in the *Irish Times*, on 27th November, 1933, a remarkable letter from a dignitary of the Church of Ireland, the Rev. Canon Luce, Fellow of Trinity College, Dublin. This letter bears the stamp of an acute observer of the political life of his country, and from it the Committee record with warm appreciation the following extracts:—

> Proportional representation has been tried here for a number of years and has worked well . . . It has been the stabilising factor in our public life, the secret strength of our Governments. Our deputies, whether in office or in opposition, have felt, and have in fact been, really representative; for they have drawn their mandate from the widest possible area of consent. It is the people's will that the majority opinion should prevail. It is equally the people's will that the minority opinion should be considered. . .
>
> The familiar proportional representation voting paper suits the situation of the voter . . .[It] gives him the biggest return for the trouble of voting. On it he can record not only his one choice, but also his several preferences. In fact he can put on paper a big piece of his political mind, giving effective expression to his wish, will, desire and consent . . .
>
> Under the English system of voting, political landslides often occur. At such a time many of the outgoing Ministers and members are swept not only from office, but from public life. Could we, in a cool hour, desire such an event here? We have not the men to spare. We want more debaters, not fewer, more men of public spirit and experience, versed in public affairs, whatever their party politics . . .
>
> To bring back here the English system of voting would be a retrograde, reactionary, and undemocratic step—one that would, I fear, be a step towards a dictatorship of a party or a person. Those who desire to abolish proportional representation convict themselves of desiring disproportionate representation—that is, of grasping at power without the authority of consent.

The occasion which called forth this letter was a clause in the draft programme of the new United Ireland Party, which proposed the abolition of P. R. This party, of which the leader is General O'Duffy, represents a consolidation of the Cumann na nGaedheal (Mr. Cosgrave's Party), the Farmer's Party, and other elements into a united opposition against Mr. De Valera. The proposal evoked a number of important declarations in support of P. R. Mr. Seamus A. Burke, B.L., T.D., a junior minister in Mr. Cosgrave's last administration, claimed that proportional representation alone had preserved democratic control of the Government in the Irish Free State. "The one mistake in the programme!" said Mr. Hugh Law in an article in the *Fortnightly Review*. Eventually, when the programme came before a national convention of the new party, the proposal to abolish P. R. was withdrawn, whilst every other item met with ready acceptance.

Another victory for P. R. was registered at the Annual Convention of Fianna Fail, where a resolution hostile to P. R. was also defeated. Mr. Sean Lemass, Minister for Industry and Commerce, stated the view of the Government. They continued to support P. R., as giving fair results to majorities and minorities. Further, said Mr. Lemass, "it had not produced any of the faults which theorists said should be ascribed to it. It had not given us a weak Government, or a conglomeration of small parties so that every Government must be a coalition." Mr. De Valera himself has at all times given consistent support to the principle of P. R. In the important local elections to be held in the Irish Free State in June, 1934, P. R. will again be used.

Canada.—In Canada, during the debates in the House of Commons on the Government's proposals for redistribution, Mr. Mackenzie King confirmed his declaration that proportional representation would be taken up by any succeeding Government of which he was leader.

One of the most remarkable elections in Canada during the year was that of the Provincial Assembly of British Columbia. The election was held under the old majority system. The Conservative Administration, which commanded as the result of the previous election 36 members in a House of 48, might have been expected, according to popular theory, to provide strong and stable conditions of

government. In actual fact, the party, during its period of office, completely disintegrated, and in the election of 1933 the Premier and all the Ministers were defeated with the exception of the Attorney-General. Only one other member of the Premier's party was returned.

League of Nations Council.—The present method of electing the Non-Permanent Members of the Council of the League of Nations continues to give rise to dissatisfaction. The question was considered afresh by a Special Committee last year, whereupon the Government of Norway directed attention to the recommendations which it had made in 1927 for the use of proportional representation with the single transferable vote. A temporary solution has been adopted on the understanding that the question should be fully reexamined in or before 1936.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

Cornell University.—Research work in local government has been undertaken by the department of agricultural economics and farm management of the New York State College of Agriculture at Cornell University because of the demands from individuals and groups throughout the state for information on this subject. Discussion concerning reorganization of county, town, and school district government in New York has led to a widespread need for factual information concerning these units of government.

The work of the College of Agriculture along these lines during the past three years has included the analysis of receipts and expenditures of counties, towns, and school districts, and the distribution of such information by the use of mimeographed reports and meetings throughout the state. Next year a course in the business management of local government will be offered as part of the curriculum.

The work of the College of Agriculture in this field of government does not conflict with the work in the Arts College, inasmuch as the work of the Department of Government of the Arts College is primarily in other fields of government. Much of our research work is done by graduate students working under my direction.

The following projects are now in progress:

1. Costs and services of local government in Tompkins County, New York. Includes a detailed analysis of local government in Tompkins County at the present time, as well as an analysis of governmental finances over as long a period of years as the information can be obtained from reports.

2. School costs and taxes in Tompkins County. Certain information on school costs and taxes in Tompkins County is available beginning with the year 1817. A detailed analysis of school financial affairs from that time until the present, together with a detailed study of the present school districts, is included.

3. Use and costs of farm-to-market roads. Includes the repetition of highway counts on different types of roads that were made several years ago, together with a cost account analysis of highway maintenance and construction by towns and counties.

4. Assessment and collection of property taxes in New York. Includes a study of assessment which has been made possible by the development of tax maps in certain areas and a study and appraisal of the entire system of the collection of delinquent taxes.

5. Preparation and use of tax maps. Maps showing individual properties with dimensions and acreages are not available in rural counties in New York. We are supervising the preparation of such maps in a number of counties and towns as TERA projects. It appears that such maps are absolutely essential to accurate assessment and collection of property taxes as well as for numerous other governmental functions.

6. Costs and taxes in rural New York counties. During the period in which research work has proceeded we have obtained detailed information on receipts and expenditures of a number of counties. We have been requested to assist a number of counties in solving their problems. Our work in this capacity has included work on reorganization of election districts, reduction of certain expenses, the installation of modern systems of bookkeeping, and the preparation of up-to-date financial reports for boards of supervisors.

7. Factors influencing tax delinquency in rural New York towns. As part of a federal

CWA project we were able to obtain data concerning each parcel of property which has become delinquent during the past five years in 250 townships in New York. It is hoped that we will be able to complete this study and determine the various factors responsible for variations in tax delinquency.

8. Factors influencing school costs and taxes. Our study of school costs and taxes includes several hundred school districts in different counties throughout the state and involves an analysis of receipts, expenditures, state aid, factors influencing costs per pupil, etc.

In the development of our work on local government we have worked in coöperation with local officials, many of whom are much interested in improving the administration of local government.

M. P. CATHERWOOD

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New Haven Taxpayers, Inc.—The association has recently issued a report dealing with the reorganization, condensation, and popularization of the New Haven *Yearbook*. In past years this book has been very voluminous, and has contained a great deal of material of little value or interest. It was also a very expensive publication, particularly in view of the fact that only a small number of copies were printed. The association's typewritten report on the *Yearbook* was presented to the municipal officials concerned, and it is understood that the recommendations offered have been accepted. New Haven taxpayers will have a more interesting and readable report this year and at a smaller cost. A further result of this piece of work was the request of the president of the New Haven Park Commission for the assistance of the association in the formulation of the park report.

A survey of the operations in the tax collector's office is now in progress. Committees are also at work studying the assessor's office, the health department, and the office of the town clerk. The committee on the police department has recommended the installation of a police radio system. A complete report on the police department is now being drafted.

Paul Wilcox, director of the organization, reports a very considerable increase in the number of members and the addition of an assistant to his staff. A new folder describing the organization has been issued.

Des Moines Bureau of Municipal Research.—During the past year the Bureau has actively participated in the drafting and sponsoring of a number of important economy measures passed by the state legislature. In a recent bulletin to subscribers, the Bureau singles out for special mention the following measures with the passage of which it was most directly concerned:

The repeal of the law permitting any taxing subdivision to levy 5 per cent more than actually required in order to offset probable tax shortage. Heretofore an arbitrary 5 per cent increase in tax levies after budget hearings were over and without knowledge of the taxpayers, was permitted.

Several laws regulating traveling expenses of peace officers. Peace officers are now required to file the number of miles made on trips and furnish receipts for meals and lodgings. When a peace officer takes a prisoner to state institution by automobile, he is forbidden to charge railroad mileage for each person per trip, as was the practice. Also only one mileage can be charged when more than one legal paper is served on one trip.

A law making quadrennial instead of biennial real estate assessments. This saves the expense of requiring assessors to view and assess realty every two years.

Several laws simplifying tax procedure, making assessed and taxable values for taxation identical—thereby cutting tax rates by one-quarter and eliminating one set of assessor's books.

A law forbidding paid public officers from collecting witness fees. The previous practice was for peace and other public officials to collect fees for testifying before the grand jury or district court on their regular time.

Amendments to Police and Fire Pension Act. This act corrects practically all the fire and police pension shortcomings, and places pensions for new men on actuarial reserve basis. It will save $30,000 annually in Des Moines over a period of years by reducing the city's contributions to fire and police pensions and increasing new men's contributions.

The Bureau also helped to draft the report and bills for the first interim legislative committee on reduction of public expenditures which succeeded in passing over forty of the seventy-five economy acts it recommended to the 45th General Assembly, some of which are included in above.

Chicago Civic Federation and Bureau of Public Efficiency.— The Federation has just issued a bulletin dealing with the vitally important matter of revising the provisions of the Illinois constitution relating to taxation. Students of government in Chicago and Illinois are in general agreement on the point that the greatest single obstacle to progress in the improvement of government in this state is the state constitution, and that the revenue article of the constitution presents the greatest difficulty. In November citizens will vote on the question of calling a constitutional convention. The Federation's bulletin is therefore extremely timely.

The recommendations cannot be outlined in detail here but the more important suggestions are: permit classification and special treatment of real property, personal property, and mineral and forest lands; fix an over-all tax limit of 1.5 per cent, exclusive of levies for debts and judgments, and permit levies in excess of the limit by majority vote of the electorate or two-thirds vote of the legislature; permit the enactment of a state income tax provided the highest rate does not exceed three times the lowest rate, the maximum exemption does not exceed $2,000, and 75 per cent of the revenues from such a tax are distributed back to the local governments of the state; establish an over-all debt limit for local governments of 12.5 per cent of full cash value of the real estate within such areas; and establish necessary machinery for allocating revenues which can be collected within the over-all tax limit.

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Brookings Institution.—The Institute for Government Research under the direction of Arnold Bennett Hall has a number of important research projects under way.

A. C. Millspaugh is conducting a study of public welfare administration with particular reference to states and localities but with due regard to their relation with the federal government. This will be ready for the printer by the first of March, 1935.

F. F. Blachly is now working on the reorganization of the sublegislative and quasi-judicial activities of the federal government, looking towards a series of constructive recommendations for the establishment of a system of administrative courts based somewhat upon the European practices. This study should be completed by early fall. Mr. Blachly is also bringing to completion a legal and philosophical study of the legal liability of the state and its agents. This should be completed some time before the end of the year.

L. F. Schmeckebier is preparing a handbook of the federal emergency organizations which should be finished some time during the summer. This is a purely descriptive account of the various administrative boards and offices that have been set up during the emergency, their relation to other boards and offices, a brief statement of their powers and functions, and an outline of their administrative set-up. Mr. Schmeckebier is also undertaking preparation of a critical study of the principles of veterans' administration. This study will probably not be completed for another year.

H. P. Seidemann, as soon as he completes his work with the Agricultural Adjustment Administration, will begin a study of the administration of the AAA, which should be ready for publication by the end of the year.

The other members of the staff are spending most of their time in trouble shooting in various kinds of confidential missions for the federal government, or have been loaned to the federal government.

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Governmental Research Reports Received Since March 15, 1934.—

A Study of the Municipal Auditoriums of Buffalo. Buffalo Municipal Research Bureau, June. Mimeographed, tables, 20 pp., 50 cents.

Reducing Boston's Fire Department Costs by the Elimination of Four Engine Companies and Two Ladder Companies. Boston Municipal Research Bureau, June. Mimeographed, charts, 25 pp., 50 cents.

A System of Cost and Expense Accounting for Public Institutions of the City of Cincinnati and the County of Hamilton. Cincinnati Bureau of Governmental Research, February. Report No. 57. Mimeographed, tables, charts, 84 pp.

A Bibliography of Municipal Accounting. National Committee on Municipal Accounting, 850 E. 58 St., Chicago, May. Bulletin No. 3. 14 pp., 25 cents.

A Municipal General Ledger and Principal Supporting Records. Walter O. Harris, Municipal Finance Officers' Association, Chicago. Publication No. 2. 50 cents.

Tentative Outline of a Suggested Procedure for a Detailed Municipal Audit. National

Committee on Municipal Accounting, Chicago, May. Bulletin No. 2, 26 pp., $1.

Charter Revision for the City of New York. Division of Research in Public Administration, New York University, Washington Square, N. Y. C., February. 86 pp.

A Report of the Survey of the Management and Finances of the Government of Hamilton County, Tennessee. Tennessee Taxpayers' Association, Nashville, April. Mimeographed, tables, 152 pp., $2.

The Cost of the Administration of the Courts in the City of New York; a Factual Study. Citizens Budget Committee, 350 Madison Ave., N. Y. C., December. Mimeographed, tables, 143 pp.

A Survey and Report of the Office of the Clerk of Courts of Hamilton County, Ohio. Cincinnati Bureau of Governmental Research, February. Mimeographed, tables, 77 pp.

Municipal Scrip. American Municipal Association and Municipal Finance Officers' Association, 850 E. 58 St., Chicago, May. 17 pp, 25 cents.

Proceedings of the Governmental Research Association, 1933. Mimeographed, 50 pp., $2.

Does Massachusetts Pay Too Much for Local Government? Thomas L. Hinckley, Massachusetts Federation of Taxpayers' Associations, Boston, December, 1933. Mimeographed tables, 23 pp.

Brookline's Financial Program for 1934. Brookline Taxpayers' Association, Brookline, Mass., March. Mimeographed, tables, charts, 16 pp.

The Cost of Local Government to the Citizen of Cincinnati. Cincinnati Bureau of Governmental Research, February. Report No. 55. Mimeographed, charts, tables, 59 pp.

Cincinnati's Government; a Bibliography. Municipal Reference Bureau, Cincinnati, February. Mimeographed, 2 pp.

Municipal Electric Plant Managers; Their Selection, Training, Salaries, and Tenure with a List of Municipally Owned Plants in the United States. Edna C. Macmahon, Public Administration Service, Chicago. Publication No. 38. Tables, 40 pp., 60 cents.

The Story of Pensions in New York City. Citizens Budget Commission, 350 Madison Ave., N. Y. C., January. Charts, 24 pp.

Municipal Paving (or Asphalt) Plants. American Municipal Association, Chicago, February. Report No. 82. Mimeographed, tables, 2 pp., 25 cents.

Cost of Living and Price Trends and Their Relationship to Salaries Paid to Employees of the State of New York. Daniel E. Bellows, Association of State Civil Service Employees, Albany, November. Charts, 11 pp.

Chicago Police Problems; an Approach to Their Solution. Bruce Smith, Institute of Public Administration, 45 pp.

Municipal Police Radio Systems. American Municipal Association. Mimeographed, 35 pp., $1.

Demolition of Unsafe and Insanitary Housing; an Outline of Procedure for a Comprehensive Program. National Association of Housing Officials, Chicago, April. Planographed, illustrated map, forms, 35 pp., 25 cents.

A Memorandum on the General Sales Tax. Kansas Chamber of Commerce, Topeka, November. Mimeographed, tables, charts, 44 pp.

Report on a Survey of Administration in Iowa, Submitted to Committee on Reduction of Governmental Expenditures. Institute for Government Research of the Brookings Institution. Iowa State Printer, Des Moines. 653 pp., $1.

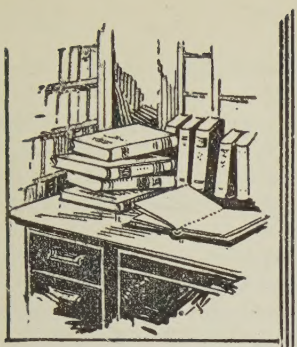
The Municipal Year Book. International City Managers' Association, Chicago. Tables, 256 pp., $4.

Occupational Changes and Relief Activities in Allegheny County. John D. Beatty, Herbert L. Grau, and Philip Mathews, Pittsburgh Personnel Association, March. Charts, tables, 58 pp.

Practice of Certain Municipalities in Allowing Discounts for the Advance Payment of Taxes. Schenectady Bureau of Municipal Research, Schenectady, May. Mimeographed, 5 pp.

Pay Your Taxes; a Campaign Manual of Suggestions, Ideas and Methods for Reducing Tax Delinquency. National Municipal League, 309 E. 34 St., N. Y. C., January. Bulletin No. 2. Mimeographed, 11 pp.

Wyoming Special Legislative Committee on Organization and Revenue Report. Griffenhagen & Associates. Apply to Committee, Cheyenne. 2 volumes.



RECENT BOOKS REVIEWED

EDITED BY EDNA TRULL

Election Administration in the United States. By Joseph P. Harris. Washington, D. C. The Brookings Institution, 1934. 453 pp. $3.

Here is a timely discussion of a subject which has long needed the undivided attention of a competent surveyor. This book is the complement to the author's "Registration of Voters in the United States", and the two together constitute a thorough-going analysis of the electoral system.

The leading idea of "Election Administration" is an exposé of another obsolete phase of contemporary government. However, the analysis of factors which destroy a sound system—frauds, inconvenience to voters, excessive costs, inaccuracy, conflicting statutes, and bipartisanship—is accompanied by counter-claims to good government so that the reader is led logically from a survey of the system to a criticism of it, and then on to a proposal for reform. The emphasis is placed on the administrative side—soundly enough since the current trend in government leans heavily on administration rather than structure.

"The act of voting, for many citizens, constitutes their only participation in government and it is fundamental that elections be properly conducted." The purpose then, is to inform the citizen, the public official, the student, and the teacher, of the need for change in this fundamental process. This book should be a wholesome influence in its stimulating suggestions for reform.

The comprehensiveness of the work defies brief description. From a history of election administration the reader is conducted through the devious ways of state control, election boards, precinct officers, forms of the ballot, poll lists, watchers and challengers, voting machines, absent voting, recounts, frauds, and election costs, to mention only a few of the phases treated in full.

Obviously the most important contribution of the book is to be found in the chapter called "A Model Election Administration System" in which Mr. Harris synthesizes his suggestions. This section was published previously as a committee report of the National Municipal League.

The chapter on election frauds adds a certain spice, though the practices of repeating, ballot-box stuffing, chain ballots, and the like are familiar enough to politicians and students of political science.

There is an excellent chapter on the voting machine which points out that only nine states use this procedure. The arguments pro and con are presented fairly enough, but the author reaches the startling conclusion that though voting machines do not allow for proportional representation ballots, this is not an important consideration!

The lay citizen should be interested in Mr. Harris's section on "The Conduct of Elections." Here he will see himself as he goes to the polling place at his most convenient hour, as he is identified on the poll lists, as he is given a ballot, as he is challenged perhaps, or even assisted, and finally he will learn what happens to his vote after it is deposited in the ballot box.

The most technical part of the work deals with election costs and will probably be valuable only to the specialist in that particular field.

In general, this book amplifies the body of knowledge in the subject which it covers. It is a full, concrete treatment, practical rather than theoretical, at once analytical and syn-

thetical, apparently unbiased, neither too conservative nor yet too radical, technical and scholarly rather than popular, yet written with a lucidity which invokes interest. Both primary and secondary sources were used. Its chief value will be to specialists in the field of government, to teachers of political science, and to advanced students in the subject. Nevertheless, the public official, the politician, and the casual citizen will find much here that is both stimulating and challenging.

F. L. REINHOLD

Swarthmore College

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The Municipal Year Book, 1934. Edited by Clarence E. Ridley and Orin F. Nolting. Chicago, International City Managers' Association. 1934. 256 pp. $4.

The publication of the *Municipal Year Book* for 1934 marks the first issue of a year book devoted to American municipal government. While the editors, Messrs. Ridley and Nolting, indicate in the foreword that the *Year Book* is in a manner merely enlarging the more restricted *City Managers' Year Book* which has been published since 1914, it would appear that they have been guilty of an understatement. With the inclusion of a section of financial data relative to municipal debt, tax delinquency, and governmental expenditures, there is little reason to doubt that not only does the *Year Book* take on a new meaning but that the volume will be of considerable value to the financial world as well as to those who are interested primarily in the problems of municipal government.

For the general reader, as well as the student, the series of articles on various phases of municipal administration, in which the high spots of the past year are summarized and trends indicated, will be of genuine interest. Written by well known authorities in each field these brief resumés are informative and in some instances challenging. The subject of financial planning, for instance, in which the author indicates a trend towards pay-as-you-go financing rather than through the sale of bonds, could be read with profit by the majority of municipal finance officers.

Of value to the active worker in the field will be the mass of statistical data and explanatory notes, especially in regard to the council-manager form of government. To the political leader in New York who may be seeking information with the coming municipal campaign in mind, this section is heartily recommended.

The volume is carefully indexed and contains a very useful current bibliography consisting of both books and pamphlets in the field of municipal government and administration.

In fine, the editors are to be congratulated on the launching of a new and enlarged *Year Book* which in the future should be greeted by an ever widening circle of acquaintances.

RUSSELL MCINNES

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Personality in Politics. By William Bennett Munro. New York, The Macmillan Company, 1934. Revised Edition. 121 pp. $1.60.

Professor Munro's well-known study of three types of person in American public life needs no introduction to REVIEW readers. At the time of its first publication in 1924, the book was recognized as an illuminating and thoroughly readable description of the operations of the reformer, the boss, and the leader in politics. The new edition has been thoroughly rewritten, illustrative material from the past decade has been widely drawn on, and new interpretation has been given to some of the earlier figures. The book may thus be considered a reworking of the old theme—the importance of the individual personality—thoroughly justifying the re-reading by its old friends and the attention of those who will be its new ones.

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Die Stellung des Bürgermeisters. By Hellmuth Voss. Solingen-Ohligs, 1933. 180 pp. (Apply to the author.)

A good many years ago when some half-informed commentator branded the council-manager plan as an offshoot of the German *bürgermeisterverfassung,* the status of the municipal executive became a matter of considerable academic importance. However, beyond occasional analogies—usually faulty—nothing was done toward an authoritative treatment of the major factors determining the role of the municipal executive in the fourteen or fifteen main types of administrative organization which have been worked out in America, England, Germany, France, and Switzerland. Dr. Voss has done this. It is too bad that the book is in German; it should be on the required reading list of every city manager and every mayor with a professional outlook.

The book is divided into five parts. The first is composed of a running commentary on the historical development and major characteristics in the local governmental systems of the four foreign countries with which Dr. Voss is dealing. The second part deals with the personal role of the chief executive. The section titles are: Political or Professional Executives?, The Executive as Leader of the *Kommunalpolitik,* The Problem of Outside Recruitment, The Selection of Chief Executives, The Length of Service, The Compensation and Pensioning of Executives. The third part deals with the executive as a municipal official—with the relation of the executive to the policy forming branches, and to the administrative divisions. Particularly illuminating in this latter regard is the treatment of the executive in relation to his department heads, of his relations with employees and laborers, of his relations with administrative and advisory committees and boards, and of the control of the chief executive. Part four deals with governmental publicity and reporting and that closely connected problem, the relation of the public to the chief executive's tenure by direct action. Here Dr. Voss is writing about something he does not understand. Recall in Germany has always meant only a referendum on the dissolution of the city council, even in those sections where the chief executive is popularly elected. Dr. Voss' conclusions as to the recall of executives in Switzerland and the United States being indicative of popular interest in democratic government seem to this reviewer wide of the mark.

Section five deals with the executive as an agent of the state. This part is naturally more relevant to the continent than to the United States or England. The executive as head of the police, the central confirmation of municipal executives, and the *staatskommissar* development are discussed.

Not the least valuable part of the book is the appendix, containing fifteen diagrams illustrative of the general forms of administrative organization in Germany, America, England, France, and Switzerland. These are arranged and outlined in such manner that the various similarities and differences are brought into bold relief.

Too much praise for filling an enormous void in the literature of comparative local government cannot be accorded the author of this distinguished monograph.

ROWLAND EGGER
The University of Virginia

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Results of Municipal Lighting Plants. By C. F. Lambert. Kansas City, Mo., Burns and McDonnell Engineering Co., 1934. 139 pp. $1.00.

The Burns and McDonnell Company is already identified as interested in the operation of municipal utilities and they have previously published data on lighting plant rates. This volume, however, is more comprehensive and complete than their previous similar publications. Its second subtitle—Record of 365 Cities Under Municipal Ownership Rates in Effect 1933—is perhaps more accurate than its first—The Answer to the City's Financial Problems. With the exception of the opinion implied in that subtitle, the book is almost entirely statistical. Each plant is briefly described as to type, capacity, maximum demand, value, debt, and age. Other data including finances, profits from operation and rate schedules are also given. General tables on electrical consumption, etc., are included. One of the most interesting tables is that which shows the average monthly bills of consumers of various classes in the given cities.

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History of West Virginia. By Charles Henry Ambler, Ph.D. New York, Prentice Hall, Inc., 1933. 622 pp. $4.

Dr. Ambler, in his work as professor of history at West Virginia University and in his previous books and articles, has evidenced his keen interest in and intimate knowledge of the history of Virginia and the Ohio Valley. This volume is a comprehensive document dealing with the history of the region prior to its establishment as an independent state and discussing also the various problems of statehood. The story is told simply and interestingly and covers not only the important political history but also pertinent social and—to a lesser extent—economic material.

Students of government might wish that a book on West Virginia appearing at this time had treated more extensively the current governmental and financial problems even if it had necessitated the omission of the lists of natives of the state who have attained some degree of "celebrity". It is perhaps the his-

torian's function to record the birthplace of a heavy-weight champion and the founder of Mothers' Day, and we look forward to an equally complete volume on West Virginia in which the emphasis will be on government.

E. T.

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Municipal Scrip: A Report of Experience. Prepared and issued jointly by American Municipal Association and Municipal Finance Officers' Association. Chicago, 1934. 17 pp. Twenty-five cents.

The use of scrip during 1933 was not confined to isolated instances, but was relatively widespread. Many of the political units which used it have discontinued the practice. Most of the scrip issued was simply a form of tax anticipation note, issued in small and varied denominations and payable to the bearer; some was of the self-liquidating or stamp type which was in practice a kind of sales tax. This brief study describes the types used and gives the case histories of a number of the communities which used scrip in one form or another. It supplies therefore one of the interesting chapters in the story of current municipal finance.

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Tax Delinquency. By Mabel Walker. New York, General Welfare Tax League, 1934. 13 pp. mimeo. Twenty-five cents.

Dr. Walker's monthly bulletins continue to be interesting, informative, and timely. The May number is devoted primarily to tax delinquency. It quotes, and lists for bibliographical purposes, a number of valuable references on the subject and summarizes the opinions given. An important feature of the bulletin is the chart tabulating the general legislation on tax delinquency in the various states. The subject has been so thoroughly complicated by the action of recent legislative sessions that this simplified presentation is very valuable.

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Public Relief for Veterans in New York State Cities. By Fred Ellis Levi. Albany, New York State Conference of Mayors and Other Municipal Officials, Bureau of Training and Research, 1934. 185 pp. $1.50.

The extent of federal expenditure on veterans has received such attention that the local expenditures on this class of citizen have generally been overlooked. Mr. Levi's study, undertaken under the joint auspices of the Syracuse School of Citizenship and the New York Conference of Mayors, is therefore of particular interest. The first chapter—on the genesis and development of separate relief for veterans—is particularly interesting. The others deal with the usual problems of administrative organization, supervision, personnel, policies and procedures, financial practices and record-keeping, conclusions and recommendations.

Although the author concludes that there is little justification for separate relief for veterans (and their families) he is most temperate in his criticism.

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A Survey of Economic Data of the Eastern Rocky Mountain Region. Boulder, The Rocky Mountain University Research Council, 1933. 172 pp. mimeo.

This report was prepared by the Bureau of Foreign and Domestic Commerce, primarily as a market guide to wholesalers, manufacturers, and business interests. It is of particular interest, however, as furnishing a factual background for each section of the region in the consideration of basic conditions and current economic trends, and for the comprehensive description of sources available for keeping such data up-to-date.

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REPORTS RECEIVED

Annual Report of City Comptroller, Atlanta, Georgia, for the year 1933. B. Graham West, Comptroller. 91 pp.

Municipal Services. Sixteenth Annual Report of the City Manager of Auburn, Maine. Fiscal year ending Dec. 31, 1933. F. W. Ford, Jr., City Manager. 48 pp.

Report of the Auditor of the Consolidated City and County of Denver, Colorado, for the fiscal year ended December 31, 1933. William H. McNichols, Auditor. 142 pp.

Financial Statement of Hennepin County, Minnesota, 1933. Al. P. Erickson, County Auditor. 57 pp.

Annual Report of the London County Council, 1932. Volume II. Public Health—General Matters of Public Health, Main Drainage and Housing. 67 pp. Price 1s.

Annual Report of the City Auditor, City of Spokane, Washington, year ending December 31, 1933. H. D. Dearling, City Auditor. 120 pp.